EBRUARY 1, 1947

SATURDAY NIGHT

PRICE 10

VOL. 62, NO. 22 • TORONTO, CANADA

THE CANADIAN ILLUSTRATED WEEKLY

THE FRONT PAGE

A Victory for Decency

THE decision of the Dominion Government to rescind nearly all of the order-in-council under which it has had power to deport and denationalize some thousands of Canadian citizens or residents of Japanese ancestry goes so far to nullify that shocking piece of injustice that it would be ungrateful of SATURDAY NIGHT not to express its appreciation. It would also be a greater degree of modesty on the part of SATURDAY NIGHT than should be expected of any public journal, if we abstained from reminding our readers that we were the first periodical of general circulation to point out the outrageous character of the order-in-council and to urge that it should not be put into effect. We say "of general circulation," because to its very great credit the Cooperative Commonwealth Federation as a political party has throughout maintained an attitude of strong opposition to all racial discrimination, which attitude has been reflected in its party organs; that attitude may have cost it some votes for a year or two, but we predict that these losses will be amply repaid at no distant date. The Progressive Conservative party divided on the question, and while some of its leaders criticized the Government's policy, others endorsed it and wanted it to go further. The Liberal party must of course be held to responsibility for the Government's actions. We are glad that that responsibility is today no worse. Special credit for devoted efforts in this good cause is due to Mrs. Hugh MacMillan and Mr. F. A. Brewin of Toronto.

Some highly objectionable features of the order still remain in force, notably the restriction on the movement of all persons of Japanese ancestry who were in British Columbia at the outbreak of war. Many of these are native Canadian citizens. None of them have been accused of the slightest disloyalty. The sole object of the restriction is to assure the people of British Columbia, whose complaint was that they had all the Japanese in their midst and no other province had any, that those who have moved eastward will not return. The Pacific province has thus established a second precedent in the behavior of the Dominion. It had already shown that a province could call on the Dominion to deprive of the franchise a group of Canadian citizens, born and naturalized alike, on no other ground than their racial origin. It has now shown that it can call on the Dominion to control the movements within Canada of the same group, for the same reason. Both of these precedents will some day return to plague us.

The Law of Evidence

WE AGREE very fully with Attorney-General Blackwell's view concerning the Tobias murder case, that if there is a legal provision which compelled the trial judge, "regardless of his better judgment, to tell a jury that if . . . the four youths did not intend to shoot when they entered the premises they were not guilty of murder," that provision should be removed.

Mr. Blackwell told the Ontario Bar Association last week that there is such a provision, and termed it "absurd." We find it difficult to believe that there is such a provision, but if there is we are prepared to term it much worse than absurd, and to support him in any effort he can make to get it removed. We hold to the old British view that when a lethal weapon is used in the course of a crime, and death ensues, the case is murder, whatever the intent may have been, also that all the persons engaged in the crime are guilty of that murder. But we fail to see any connection between the Tobias case and the recent cases in which murder convictions have been set aside on appeal because of methods employed by the police in securing statements from the ac-

(Continued on Page Five)

Grace Moore, famous opera star killed in plane crash in Copenhagen this week, as photographed in Toronto last year. She is wearing the decorations conferred upon her by five European governments.

FEATURES IN THIS ISSUE

Page

Europe's Recovery Enters Most Difficult Period .... Albert A. Shea 6
Canada's Government to Control Peacetime Shipping? ...... W. L. MacTavish 7
Abbott's Tax Formulas Near Rowell-Sirois Objective .... Wilfrid Eggleston 8
Will Russia Break the Spitzbergen Pact? .... Frank Illingworth 9
The Lighter Side: The Tax Debate Quadrille .... Mary Lowrey Ross 10
New York, Old and New: Jewel of Many Facets .... Bernice Coffey 19

In England, Television Has Already "Arrived"

Ballet is effective television material. This picture shows a group from the Ballet Theatre, New York, being televised while performing "Les Sylphides" at the B.B.C.'s London studios. Postwar program started with Britain's Victory Parade on June 8 last.

By Michael Barkway

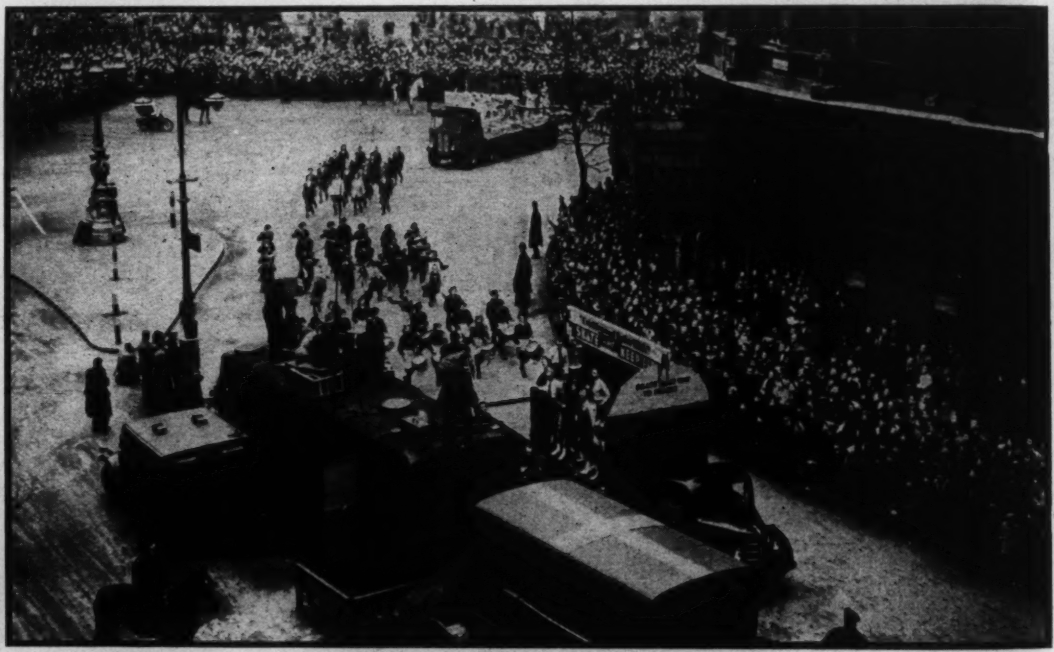
BRITISH television is a "service in being." The photographs on this page show a few of the kinds of programs which British viewers see day in and day out. They are not "stunts" or occasional publicity features. While technicians argue about the future possibilities of color-television and what they call 1,000-line definition, 20,000 people who own television sets in and around London, are already getting three hours television entertainment a day.

Public events are important but don't make a Television Service, and B.B.C. television is beyond the stage where viewers are satisfied with the mere wonder of watching the screen. From now on, it must make its way by its "program value". Films have their place in the program pattern; so do remote pickups, but the backbone must be studio production.

What do you see on a London television set? Here are some items from a typical week's schedule:—Music by a number of different orchestras; variety programs in the old British Music Hall tradition with exhibition dancers, magicians, singers, acrobats, chorus and all complete; plays including old favorites and new productions (both from outside theatres and from the studios); short recitals by world-famous musicians (Gigli and Suggia appeared recently); whodunit's enacted before your eyes for you to guess the criminal; a diver's trip into a submarine engineering works; riding lessons for children, golf lessons, fashion displays, cookery demonstrations, and gardening hints (from the Television Garden).

TELEVISION in fact has already arrived; in the words of the pre-war B.B.C. slogan, "You can't shut your eyes to it." Later on, when higher definition, improved equipment, color and all the rest come in (as no doubt they will), B.B.C. personnel (producers, vision and sound engineers, cameramen, lighting experts, set designers, studio managers, make-up experts, and all the dozens of people needed for one television program) will have the technical mastery that will ensure a program service worthy of the scientific wonders we're promised.

Televising a golf lesson given by expert Archie Compston (centre) to Macdonald Hobley of the B.B.C. on the course at Alexandra Palace, nerve-centre of Britain's television. Some of television's main activities are always bound to be major public events and . . .



. . . above picture shows the Television Outside Broadcast Unit at work on the first full-dress Lord Mayor's Show since 1939. Unit is standing at junction of Trafalgar Square and Northumberland Avenue. B.B.C. cameras also visit Ascot, Wimbledon, Lord's and the Cenotaph.

Camera crew in action. Emitren camera is mounted on "dolly" which can be quickly moved to any position.

Recent telecast of Eugene O'Neill's "All God's Chillun Got Wings" from the studio theatre.

This is the telecinė apparatus for the transmission of television programs on film, the equivalent of a transcribed broadcast.

TORONTO PUBLIC LIBRARY FEB 3 REFERENCE

This Film Makes Australia Real to Canadians

By Mel Pratt

"The Overlanders" follows the adventures in 1942 of a small group of Australian cattle ranchers who refused to destroy their livestock because of the threat of invasion by Japan. The above picture shows the cattle being driven over . . .

WHEN Harry Watt, top-flight British producer, came to Australia in 1944 he decided that there was epic film material in the story of the wartime trek of thousands of cattle from north-western Australia to Queensland across one of Australia's most arid stretches.

Orthodox picture makers might have smiled at this decision, wondering what there was to hold an audience in the droving of a mob of cattle from one part to another of a land so little known as northern Australia.

"The Overlanders," (to be seen in Canada this month) is Harry Watt's answer, and its 90 minutes pass too quickly.

Perhaps the best tribute that can be paid to the film is the fact that following its initial success, Watt has been sent back to Australia by Ealing Studios to make another production, Korda Films of Britain has decided to send a unit to Australia, the J. Arthur Rank organization has already sent production crews there, and U.S. companies probably will.

The story of "The Overlanders" is simple. It begins in a small meat works town in the north-west when orders come through telling the company that a Japanese invasion is imminent and that employees are to follow the Russian "scorched earth" policy—destroy the works and shoot the cattle. Head drover McAlpine with 1,000 prime bullocks refuses. He says he will overland the cattle to the rich fattening paddocks of Queensland 2,000 miles away. His fellow drovers ridicule him because this would mean crossing a desert in the summer drought season. So he picks a small band of helpers with more daring than experience, a mother and father and their two daughters, an old drunkard who has done most things except work and a young shellshocked sailor.

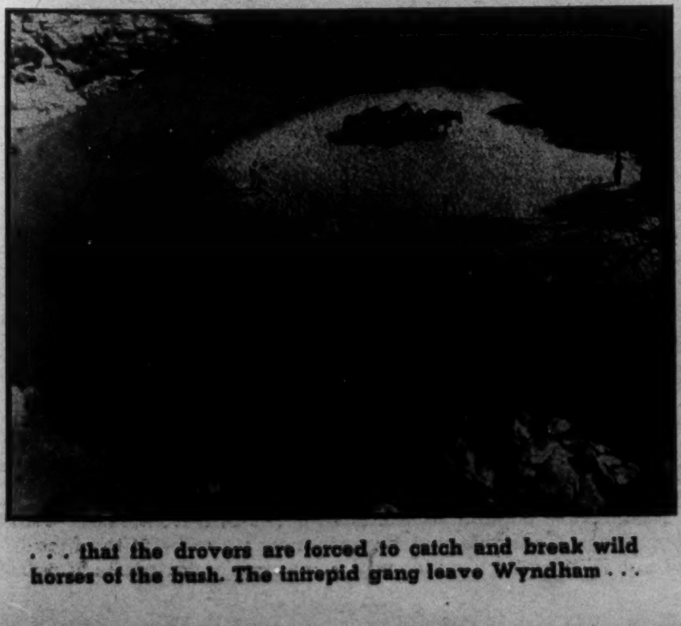
They are forced to swim a crocodile-infested river; most of the horses eat poison weed and die; they find waterholes have dried up; the cattle stampede in the middle of the night; and three men on foot check a rush by thirst-maddened beasts towards a mud swamp that would have resulted in the cattle being swallowed in the ooze. None of these adventures was invented.

All the cast is Australian. Some had previous acting experience, others had not, but all gave Watt one initial advantage. They could ride like any entrant in the Calgary Stampede.

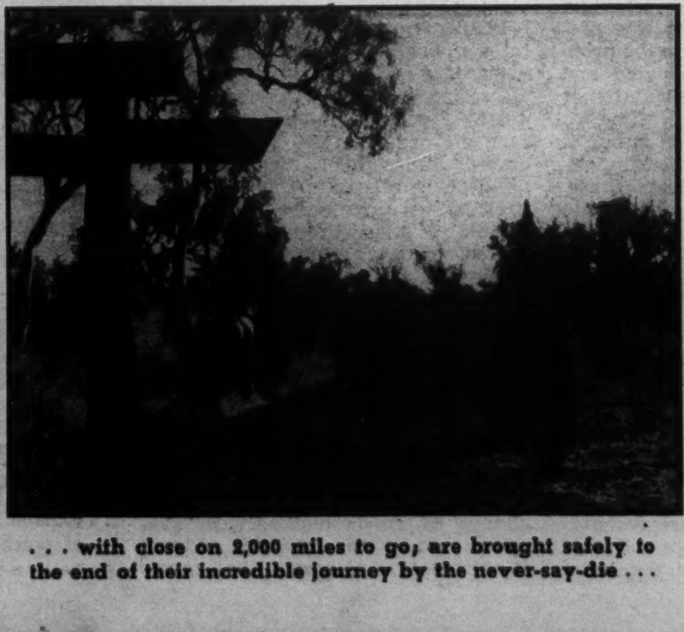
. . . the dry, craggy, yet strangely beautiful, Australian scene at the start of the trek. Aborigines watch the unusual occurrence.

A thousand head of cattle crowd into the crocodile-infested River Roper while the party is crossing the wild country of Arnhem Land in northern Australia in an endeavor to . . .

. . . reach the fertile areas of Queensland. The family wagon struggles over the scorched plains in the drought season. Later most of the horses eat poison weed and die, so . . .



. . . that the drovers are forced to catch and break wild horses of the bush. The intrepid gang leave Wyndham . . .



. . . with close on 2,000 miles to go, are brought safely to the end of their incredible journey by the never-say-die . . .

. . . leadership of head drover McAlpine (above), played by Chips Rafferty, Australia's No. 1 tough hero.

DEAR MR. EDITOR

Inter-Church Committee's Work So Far Mainly in Education

Editor, SATURDAY NIGHT:

THE RECENT article appearing under the name of Professor Kirkconnell (S.N., Jan. 4), so far as the major Protestant Churches are concerned, in the interests of truth, requires an answer.

The Committee, which Professor Kirkconnell entitles the "Protestant Research Committee", has not even considered four of the allegations concerning the Roman Catholic Church mentioned by him, and knows nothing of their sources. It is a fact-finding body and up to the present has been mainly concerned with the question of Separate Schools in the province of Ontario. Its members were appointed officially by the Churches which they represent, and must refer back to the bodies which appointed them any statement which the Committee issues.

Because of a grave unrest throughout the province of Ontario with regard to the position and advantages enjoyed by the Separate Schools and French Schools, the Committee undertook to investigate the situation. A brief on education was presented by it to the Royal Commission on Education appointed by the Government of Ontario. It was a fact finding report, presenting statements, the veracity of which the Commission had no difficulty in verifying. The document is now public property and is quite competent to stand before the bar of public opinion, Protestant and Roman Catholic.

Among matters that were dealt with in the brief, were certain uses of the French language in some areas of this English-speaking province, special privileges of taxation, the opening of new school sections, inspectorships, and special additional privileges which the Roman Catholic Church had assumed or seeks. In the report several facts in favor of Roman Catholic rights were brought to light, as well as those which are disputed and those which are frankly challenged.

This Committee is engaged in the study of other vital matters of national interest and from time to time will report to the constituent Churches.

There is a further fact which requires an answer. The Canadian Council of Churches has nothing to do with the matter. The Canadian Council of Churches is the Canadian expression of the World Council of Churches now in process of organization.

Toronto, Ont. GORDON A. SISCO
On behalf of the Executive.

Ed. Note: The above letter was drawn up by a committee appointed by the Executive of the Inter-Church Committee on Protestant-Roman Catholic Relations.

SATURDAY NIGHT
THE CANADIAN WEEKLY
Established Dec., 1887

BERNARD K. SANDWELL
Editor-in-Chief

P. M. RICHARDS, Managing Editor and Financial Editor
JOHN H. YOCOM, Associate Editor
WILLSON WOODSIDE, Foreign Editor
WILFRID EGGLESTON, Ottawa Editor
JAY MILLER, Washington Editor
BERNICE M. COFFEY, Women's Editor
HERBERT McMANUS, Book and Travel Editor
MARY LOWREY ROSS, Film Editor
PHYLLIS ARCHER, Picture Editor
PAUL DUVAL, Art Editor
JANET MARCH, Food Editor
JOHN M. GRANT, Mining Editor
GEORGE GILBERT, Insurance Editor
JOHN L. MARSTON, London Financial Correspondent
HAZEL G. WATSON, Editorial Secretary
C. N. FOY, Advertising Manager

SUBSCRIPTION PRICES: Canada. Great Britain and all other parts of British Empire $3.00 a year; $5.00 for two years; $7.00 for three years. All other countries, $1.00 for each year to be added to these prices. Newsstand price 10c a copy.

SATURDAY NIGHT does not permit reproduction or condensation of any of its contents (which are fully protected by copyright) by any "digest" magazine.

Advertising contracts are solicited and accepted by this business office or by any representative of SATURDAY NIGHT subject to Editorial approval as printed in our contract form. The Editors reserve the right to reject any contract accepted by the business office, its branch offices or its advertising staff—to cancel same at any time after acceptance—and to refuse publication of any advertising thereunder at any time such advertising is considered by them unreliable and undesirable.

Authorized as second class mail, Post Office Department, Ottawa.

Printed and published by
CONSOLIDATED PRESS LIMITED
73 Richmond Street W., Toronto 1, Canada

MONTREAL .... Birks Bldg.
VANCOUVER .... 815 W. Hastings St.
NEW YORK .... Room 512, 101 Park Ave.

E. R. Milling - Business Manager
C. T. Croucher - Assistant Business Manager
J. F. Foy - Circulation Director

Vol. 62. No. 22 Whole No. 2811

Saving Sense of Humor

Editor, SATURDAY NIGHT:

THE EDITORIAL "On Being Fussy" (S.N., Jan. 11), re immigration and citizenship, and the "Raven" versification (S.N., Jan. 18) are at least worth a year's subscription. A little bit of humor—a saving sense where controversial subjects are being dealt with—makes the whole world grin.

Kingston, Ont. A. J. HAMILTON

Short-Changed

Editor, SATURDAY NIGHT:

A CORRESPONDENT complains (S.N., Jan. 18) of being short-changed by slim issues. My complaint is the opposite. I prefer 28 pages to 48 for then I have to skip less. By skipping I feel that I don't get my money's worth. But who has time to wade through 48 pages unless he reads nothing else? And SATURDAY NIGHT is not that good!

Toronto, Ont. TITUS McWAD

B.C.'s Tax Fields

Editor, SATURDAY NIGHT:

WILFRID EGGLESTON, reviewing Dominion-Provincial relations in respect of the proposed agreements between the Dominion and the Provinces (S.N., Jan. 18), says in regard to British Columbia: "I confess to having a good deal of sympathy with Premier John Hart's position. He inherited a tradition from his predecessor of uncompromising opposition to any negotiations with the Dominion Government which would involve the surrender, even temporarily, of tax fields. Yet he saw further than most provincial premiers the national value of single taxation in the corporation and personal income tax field, and the possibility of using fiscal techniques to fight depressions."

This statement is a complete misrepresentation of the position which I took as Premier of British Columbia preceding Mr. Hart, and is contrary to the facts. Your columnist, who has been writing upon this subject from time to time, should know the facts.

It was during my regime that arrangements were made for this province to surrender the collection of income tax during the period of the war.

While the 1941 agreement was signed by the Coalition Government, the draft of the agreement was prepared before I left office, in the preparation of which I participated and approved. For a short period at that time Mr. Hart was out of office.

Everyone knows that the public is very much opposed to the imposition of two separate income taxes. I was and am in favor of a single collecting agency and was and am opposed to the permanent surrender of our provincial rights to impose income taxes.

Ottawa has been and is determined to oust the province from certain fields of direct taxation. The manner of the calling of the 1941 Dominion-Provincial Conference was insolent in method and was designed to put over its purposes in the name of the war.

Almost before the Conference was over, and ever since, misrepresentation and falsification have followed those who openly opposed the form, the method and the ultimate object of the Ottawa Government.

During the depression I was personally ridiculed, both under the Bennet and King Governments, for suggesting (to use an expression of Mr. Eggleston's) the "use of financial techniques to fight depressions." We were told that the country would be ruined from unbearable taxation. Since that time we have sold billions of dollars of bonds now selling at a premium.

Victoria, B.C. T. D. PATTULLO

Crystal Palace "Messiah"

Editor, SATURDAY NIGHT:

YOUR interesting and informative review of the "Messiah" (S.N., Jan. 4) led me to dig up my reviews and programs of the 1913 Handel Festival at London's Crystal Palace in June of that year. My father and I spent a week of our summer holidays in the bass section of that huge choir and it was a great treat.

With four London rehearsals and only one full choir rehearsal, for which tickets were as much as for the regular concerts, the pace was anything but "pedestrian." Sir Fred Cowan held for those times fairly modern views of the treatment, and I recall the lightness and speed of "For unto us" in particular, as he held back for the ejaculations "Wonderful," etc. Also in the "Israel" the pianos were much more effective than the crescendos, for the ear can take in only so much; that size chorus — 4,000 and orchestra — was about right for a "Messiah" in a building that held some 34,000.

I am inclined to think that the pedestrian pace which Sir Ernest speaks of is caused by the "riding passengers" in many modern choruses, who do not read and have to be taught parrot fashion for many more rehearsals than we old choristers (especially tonic solfaists) think necessary for standard works.

You should have heard 1000 tenors attack that lead in the first chorus of "Samson" and again in "Round about the starry throne," and the basses thunder in the Acis and Galatea selection "Wretched lovers."

Toronto, Ont. PERCY GRINSTEAD

Price and Purchasing-Power

Editor, SATURDAY NIGHT:

PRACTICALLY everyone is aware that under certain economic practices a disparity is certain to be created between price and purchasing-power. The real question is: what causes this disparity and how may it be remedied or avoided?

I claim that it is caused by the inclusion in price of factors that do not represent production or service, and the refusal to allow prices to fall as production costs are lowered by technological improvement, and that the remedy is the exclusion of these non-service factors from price and allowing prices to fall commensurately with increased productive efficiency.

Social Credit exponents maintain that this is immaterial; that service and dis-service, construction and obstruction, good and evil can all be made of equal value by the magic of their "debt free money." There is a large volume of this form of money in Hungary where the pengo was recently quoted at one hundred thousand million billions to the pound sterling.

Plant depreciation, insurance, interest, pensions do not create price disparities as G. H. Pethic (S.N., Jan. 11) seems to think. They are services costs. Tariffs, combines, cartels, in fact, all organizations to limit production and control price (in so far as they are successful), do cause disparities in price and purchasing-power. If these obstructions be removed, price and purchasing-power will equate.

Producers are not a separate species; they are also consumers, and would benefit from falling prices as such and also from increased demand for their products. And of what benefit is technological improvement if it does not result in lower prices?

The amount of money required by a country is determined by the work there is for it to do. It is the exchange of goods and services that causes money to circulate, and not the circulation of money that causes goods and service to be exchanged. An increase in the volume of money would not increase purchasing-power at all. It is because Social Crediters are unable or unwilling to distinguish between cause and effect, and because they refuse to distinguish between service and non-service factors in price, that their whole theory with all its pseudo-scientific jargon is just sheer, blithering idiocy.

Vancouver, B.C. D. E. PEDDIE

Passing Show

By S. P. TYLER

BY INSISTING that the new cocktail lounges be at least 200 feet away from any church, the Toronto civic legislation committee has given reassuring evidence of its interest in preserving the atmosphere of our religious institutions.

•

The Minister of Agriculture has informed the public that there is more meat in Canada than ever before—but mostly on the hoof. This was not the case with the hoof delivered to us last weekend, disguised as our Sunday roast.

•

Now that the French Government seems to be settling down for a little run, it is interesting to speculate on what the people of France—with no elections in sight—will now do to express their *joie de vivre*.

•

It is stated that official weather predictions are correct 85 per cent of the time, but it is likely that this estimate is based on a 40-hour week, with allowance for an annual 14-day vacation period with pay.

•

The Church of England is reported to be in need of new hymns suitable for the atomic era. Composers submitting material would do well to provide an alternative accompaniment adapted for the harp.

Higher Learning

At a conference of the National Publishers Association, a speaker mentioned that comics are serving as an excellent medium for educational purposes. Is it possible that the time is coming when students will be given the opportunity to graduate with a comic degree?

•

A revival of the beard is forecast in an editorial of a masculine magazine. There must be a more aesthetic solution to the problem of the Christmas gift tie.

•

From a letter in a radio journal: "I was surprised to hear an opera direct from Rome on the short wave band of my radio set." In our opinion, he had only himself to blame.

•

A Memphis boy, age 6, who has received through an aunt's will the house rented by his parents, is now in the enviable position of being able to demand an electric train, a tricycle and unlimited ice-cream — or else!

•

Another letter to the press asks why traffic police are primarily engaged in giving service to motorists, and nobody is concerned with the fate of the pedestrian. Personally, we've always been impressed by the bonhomie of the fellow in the white coat who turns up with the ambulance.

•

A Montreal lady who recently celebrated her 70th wedding anniversary declared that the secret of happy marriage is to "tell your husband he's the boss." Apparently the psychological effect is to cause the man, with typical modesty, to reject the flattering suggestion and, thereafter, he is all set to eat out of the lady's hand.

•

Shutdown in the Woodshed

From the recent news item that "tanning activities are being restricted owing to scarcity of Canadian hides," it looks as though our small boys are not what they used to be.

•

In connection with a new building in Vancouver, there is some discussion going on regarding the selection of contemporary items to be buried under the foundation stone. We would like to suggest a blank 1946 Income Tax form, but feel that when discovered by descendants a few hundred years hence, none of them will believe it.

•

A Detroit wife has complained to the court because for ten years her husband has refused to get out of bed. Surprising how far some fellows will go to avoid giving a hand with the dishes.

•

Although the housing situation is tighter than ever in Montreal, citizens will be relieved to learn that double accommodations and a modern refrigeration plant is being contemplated for the city's morgue.

•

Advertisement in a London newspaper:

"Bank Manager, just released from prison, seeks employment."

Why not give him a fresh start by placing him in charge of overdrafts?

•

A correspondent in an Ontario paper complains that his postwar house is already falling to pieces. It might help if spikes are fixed at strategic intervals on the roof to deter the birds from making destructive crash landings.

•

Complaining of lack of attention in public restaurants, a correspondent writes that in some places "it is almost impossible to get a drink of cold water." He should order coffee.

One of the bitingly satirical canvases from William Hogarth's "Marriage à-la-Mode" series, showing the new Countess talking to her lover and having her hair curled while her friends sit around. This and other pictures by the famous social commentator depicting the violent contrasts which existed in 18th-century London are included in the British loan collection of works by Turner, Constable and Hogarth, now on view at the Metropolitan Museum in New York, which will be coming to Canada in March.

The Front Page

(*Continued from Page One*)

cused. Mr. Blackwell saw fit to refer to one of these cases as "the Dick fiasco." This is extraordinary language for a Minister of the Crown to use about a case in which, even with the accused's statement taken at its face value, the bringing in of a verdict of guilty caused considerable surprise among those who followed the evidence with care, and the upsetting of that verdict caused corresponding relief.

The Dick case was no more a "fiasco" than was the Windsor case in which a verdict of guilty was also secured largely by means of a "confession" which the appeal judges declared inadmissible. In each case the appeal judges saved a human being from death by hanging, if that is what constitutes a "fiasco" in Mr. Blackwell's mind, and in each case the verdict of guilty resulted from the use of statements by the accused which the appeal judges held to have been obtained by means which are improper in the British system of jurisprudence. If "the impression has gone forth that our police follow U.S. methods," it is on account of these two cases, coming rather close together, and it does not go beyond the idea that they may sometimes be lax about warning persons whom they have accused or expect to accuse that anything they say may be used against them.

If Mr. Blackwell objects to that limitation on the operations of his police, and says so too often and too vigorously, we fear the impression may get abroad that not only the police but the Attorney-General may be departing from British precedents. That of course would be most unjust. All that the Attorney-General is really doing is trying to establish another grievance against "Ottawa," by convincing the citizens of Ontario that they are all liable to be murdered in their beds "unless suggestions to Ottawa regarding the law and its administration regarding murder are carried out." There are times when we wonder whether Queen's Park does not regard the Dominion as a hostile "occupying power," somewhat as the Japanese must regard General MacArthur, rather than as the nation of which every Ontario citizen is also a free and voting member.

What's In a Name?

IT IS always a pleasure to find ourselves quoted in other periodicals, even when the quotation is for the purpose of taking issue with our views; and it is a pleasure which we enjoy rather frequently. Some of its charm is however slightly dulled when our quoters insist on giving to this periodical a name which does not belong to it. There is no "the" in the title of SATURDAY NIGHT, precisely as there is no "the" in the titles of *Life, Time, Punch, Maclean's Magazine*, and *Vogue*. There does not seem to be any rule about these things, except that daily newspapers almost always take a "the". Other periodicals take it or not at the choice of their founders. In New York you ask for "the *Times*" but not for "the *Time*", which would mean something quite different. You say "This is the *New Yorker*" but not "this is the *Life*". You ask for "the *Police Gazette*" but not for "the *Variety*". Even the daily newspaper rule is not absolute; "the *PM*" does not mean a newspaper but a gentleman in Ottawa.

Our feelings are even more hurt when the word "Toronto" is sandwiched between "the" and our proper title. The expression "the Toronto Saturday Night" sounds too much like the name of an institution comparable to the Toronto Sunday—perhaps a means of preparation for the Toronto Sunday,—a function which we have no desire to fulfil. The name of this periodical is nothing more than two words of eight and five letters respectively. If the quoter desires to identify us by place of publication, which should not be necessary, all that is required is to add "Toronto" in brackets after that name.

White Cane Week

THE week of February 1 to 8 has been designated as White Cane Week by the Canadian Council of the Blind and the Canadian National Institute for the Blind. The purpose of this Week is to acquaint the public with the activities of the blind through the country and to draw attention to the White Cane which most of them carry in their travels. Most of us are only too willing to assist blind people in crossing streets and boarding streetcars, but sometimes we hold back through a feeling of diffidence. The Canadian Council of the Blind assures us that such help will be received gratefully. They point out, however, that it is easier for the blind man if we offer our arm to him, rather than grasping his.

The activities of the blind are always interesting to those of us who can see, but too often our view of them is like a glimpse into another world. We start with the notion that they are different from ourselves. But the difference is not in them as human beings, it is only in the methods which they employ to do the same things that we do. They read with their fingers, they walk with a cane, they recognize a friend by his voice. But in their likes and dislikes, their jobs and their hobbies, they are individuals with as much variety in their inclinations and abilities as you would find in any sighted group.

This, then, is the message of White Cane Week: that we regard blind men and women as individuals; that we give them courteous assistance when it is necessary, as we would help any fellow-traveller on his way; that we accept their desire to do as much as possible for themselves; that we help to eradicate the idea that they are helpless.

"AFTER YOU, MY TRUSTY ALLY" *Copyright in All Countries*

These Conferences

THERE seems to be little prospect of relief from the complaints of a portion of the Ontario press that Ontario is being in some mysterious way deprived of its birthright because the Dominion refuses to summon another Dominion-provincial conference on the avoidance of double taxation. The point that is never referred to in all this endless argumentation is that a conference of provinces has not one iota of power over any individual province. Five provinces have now entered into an arrangement with the Dominion for the avoidance of double taxation. The methods by which these arrangements were arrived at were not particularly admirable, but they did produce arrangements. No conference can possibly make these provinces give up their arrangements, and no conference can possibly make the remaining provinces enter into corresponding arrangements if they do not want to. If they refuse to enter into corresponding arrangements, the alternative is double taxation, which is an evil but not an intolerable one.

The whole business of the "renting" by one government of fields of taxation from another government is obviously a makeshift device, and a confession of a serious weakness in the existing constitutional structure. But a Dominion-provincial conference has no more power to amend the constitution than it has to dictate the course of any individual province. It is becoming more obvious with each succeeding year—and each succeeding step in the withdrawal of the United Kingdom from all concern in and responsibility for Canadian matters—that the lack of a prescribed procedure for amending the British North America Act is going to land this country eventually in some kind of serious trouble. So long as there is no such procedure, the inevitable tendency is for the Dominion Parliament to go on regarding itself more and more as the sole trustee of the Act, and as possessing the power to amend it subject to limitations which will grow slighter and more nebulous as time goes on.

Hansard Will Be Good

THE session of the Canadian Parliament which is now commencing gives promise of being one of the most important and one of the most interesting in the history of the Dominion. It is entirely possible that it will largely determine the results of the next general election, and therefore the character and tendencies of the Parliament which will govern Canada through the following four or five years of further postwar readjustment.

The present Government has been in power for nearly twelve years, and while that is by no means a record in Canadian political history, it is a remarkable achievement for a party which has had the burden of conducting the country through a great war and two years of its aftermath. And even if the forces opposed to Mr. King are not yet strong enough to bring about his elimination, they are themselves undergoing a process of development which is full of significance for the future of the nation. There is, we suggest, more debating ability, and more well organized and directed preparation and study in both the Progressive Conservative party and the C.C.F. today than any opposition party has shown for many years. In addition, the balance of power is so precarious that every section of the House will be on tiptoe to grasp the utmost benefit out of any shift that may occur.

In these circumstances we recommend to all those who wish to keep in close touch with the political life of the country, that they follow the debates in Parliament as recorded in full in the Hansard of the House of Commons, a daily stenographic report obtainable from the King's Printer for the moderate sum of three dollars per session. It is not a document to be read all through. Some of the subjects are of interest only to the speakers; some of the speakers can hardly be interesting even to themselves. But there is not much of that sort of thing, and the experienced reader can easily skip it. The vital paragraphs of the big speeches are of course carried by the newspapers, but even these are strengthened and made more intelligible by the paragraphs leading up to and developing them, and one of the best parts of Hansard is the repartee, which has to be read in full to be appreciated, and is seldom sent over the wires unless the participants are front-row men.

There is a society for the promotion of a wider circulation for Hansard—the government, which is its publisher, does not undertake to do a salemanship job on it,—and we shall be glad to send information about it to any readers who may be interested. It has the support of the leading educationists and many business and professional men of the Dominion. Meanwhile, now is the time for serious Canadians to send in their three dollars to the King's Printer. Form a small group of people who can get together once a week to look Hansard over and discuss what their rulers are doing.

Health Lectures

CANADA'S new Minister of Health and Welfare, the Hon. Paul Martin, will deliver the first of the series of three lectures planned by the Health League of Canada, at the Eaton Auditorium on Friday next, when he will discuss "Health's New Horizon". Later lectures will be delivered by Dr. O. M. Solandt, Canada's great authority on the atom, and by Dr. F. F. Tisdall, whose work on nutritional science is known all over the world. These lectures are a new form of activity for the Health League, but are a most appropriate part of its effort to make Canadians conscious of the things that should be done, both governmentally and individually, to make their nation as sound physically as it ought to be. The League is the Dominion's leading voluntary association in the field of health education, and deserves the support of all who believe that work of this kind should not be left entirely to governments and officials.

Why India Secedes

FEW Canadians, we imagine, are aware that the behavior of their country can have had an important influence in bringing about the decision of the truncated Assembly of India (with the Moslem members absent) that India shall as soon as possible withdraw from all association with the British Commonwealth. Nevertheless such is the fact.

It is explained in a brief article by Professor H. F. Angus in the just issued winter number of the International Journal of the C.I.I.A. "The few hundred East Indians who live in Canada", says Professor Angus, "have an international importance out of all proportion to their numbers. It is as difficult to explain to Canadians why their treatment is resented in India as it is to explain to Indians why they do not enjoy full political rights in all parts of Canada".

British Columbia is the only part of Canada where East Indians are in any way disqualified, and not more than 1,700 persons are affected by the disqualifications. They are of course British subjects, and it is the complete worthlessness attached to that status by British Columbia that contributes very largely to the low opinion in which it is held by the Indians in India. No remedy is available, and no representations even by the Government of India can have any effect, because such representations could be addressed only to the Dominion Government, and that Government has no control over the franchise and the regulation of civil status in British Columbia. All that the Dominion could do—and even that it has avoided doing with the utmost care—would be to enact that the franchise discriminations of British Columbia should not operate in federal elections.

Meanwhile British Columbia enjoys a representation in the House of Commons based on a census which includes all the Indians, Chinese and Japanese in its territory, so that the white British Columbians actually poll not only their own votes but those of the people whom they disfranchise. This is precisely the same situation as that which existed in the Southern States before the Civil War, when the white Southerners enjoyed Rep. by Pop. on a population which included their slaves.

OLD KNOWLEDGE AND NEW

A LEARNED man, we used to think,
Was one who liked Thucydides
And revelled in Demosthenes,
Or one whose Latin seemed to flow
Smoothly as that of Cicero,
Or one who figured out quadratics
And loftier forms of mathematics,
Or knew the many faults and twists
Of all the major novelists . . .
And why some poets took to drink.

But nowadays a learned man
Chases some subject dark and dim
To everybody, even him;
Metabolism in the ant,
Genetics in the rubber plant.
He seeks in oysters from the sea
Light on organic chemistry,
Or does a most imposing thesis
On what occurs when water freezes . . .
Classics are in the garbage can.

J. E. M.

Europe's Recovery Enters Most Difficult Period

By ALBERT A. SHEA

Stage 1 in Europe's recovery was the emergency relief period during which U.N.R.R.A. brought $3 billion worth of food, clothing and supplies to Europe. According to Mr. Shea, assistant professor of Political Science at the University of Manitoba, Stage 2, which is now in progress, is the critical phase. This period marks the gap between the end of U.N.R.R.A. and the coming into being of the permanent international bodies designed to take over U.N.R.R.A.'s activities.

During Stage 2 the needy countries of Europe will have to depend on charity and on loans from the friendly nations. The problem of the Displaced Persons is particularly urgent; with no adequate provision for dealing with it. Political unrest or economic breakdown during Stage 2 will seriously limit the possibility of successful operation by the various international bodies now in preparation.

STAGE 2 in Europe's recovery began on January 1, 1947. It's going to be a tough one.

Stage 1 was the Relief Stage. Its duration was from the end of hostilities until December 31, 1946, when U.N.R.R.A. reached the end of its legal life.

The goal of the process of restoring Europe is Stage x, a time when there will be political stability and a relatively satisfactory economic balance. Just how many stages there will be until this millennium is reached is anybody's guess. But it is possible to roughly outline Stage 2 which, as I have already suggested, is going to be the tough one for Europe to pull through, and Stage 3 which will be marked by the coming to life of the various permanent international bodies that are now being hammered out at a dozen conferences: the International Bank for Reconstruction and Development, the International Monetary Fund, the International Trading Organization, the Food and Agricultural Organization, the World Health Organization, and the International Refugee Organization.

In three years of operation, U.N.R.R.A. poured some $3 billion worth of food, clothing, medical equipment and rehabilitation supplies into the devastated continent of Europe. While it lasted U.N.R.R.A. was the world's biggest business, but its job of relief and rehabilitation was so vast that even $3 billion could only make a dent in it.

U.N.R.R.A. ran into two major difficulties which upset all its schedules. Crop failures in 1945 forced U.N.R.R.A. to devote much more of its budget to food for the purpose of just keeping the people alive. Not only did it have to buy more food, but every time administration buyers went to the market place, prices had risen several points. This meant more money spent for relief and less of the budget left for the very necessary job of rehabilitation. As one U.N.R.R.A. official put it to me, "It has knocked the second 'R' out of U.N.R.R.A." The organization that had been intended to feed the people of Europe and restore them to economic self-sufficiency ended with the second half of its job unfinished.

Now we are into Stage 2. We come into it quietly because supplies ordered by U.N.R.R.A. up to December 31, 1946, continue to move through the pipelines, but by February or March the last trickle of those supplies will have reached its destination in a remote village in Greece, and the last ration of U.N.R.R.A. bread will have been distributed in hungry Vienna.

With U.N.R.R.A. supplies ended, all indications point to a six months' gap between its termination and the coming into being of the host of international bodies intended to take over the various aspects of the administration's operations.

U.N.R.R.A.'s Heirs

If everything goes according to schedule, the International Bank will grant long-term loans to needy countries to enable them to restore their agriculture and rebuild their industries. The International Monetary Fund will stabilize currencies, encouraging international trade. The International Trading Organization will lay down rules for international trading which it is hoped will give every country a fair chance at the world's market. The International Refugee Organization will take over U.N.R.R.A.'s operations in the field of Displaced Persons. In the field of welfare, the World Health Organization will take up the torch from U.N.R.R.A. In the critical realm of agriculture, food and nutrition, the heir is the Food and Agricultural Organization under Sir John Boyd Orr.

But, for the most part, these organizations exist only on paper and in the minds of men. As yet they don't have personnel, funds, and that invaluable little ingredient known as experience.

This is just dropping a few tears into the spilled milk but it does appear unfortunate that U.N.R.R.A., with its experienced international staff, was jettisoned before its successors were ready to take over.

During Stage 2, Europe will have to depend for its imports on charitable organizations and on loans or gifts from friendly nations. There are several important humanitarian organizations trying to fill the great gap which the departure of U.N.R.R.A. has left. But in spite of their gallant efforts, such charities are just tiny patches, entirely inadequate for the job of repairing the very large hole in Europe's trousers.

The only important source of loan capital is the U.S., with great Britain and Canada as rather insignificant second resorts. Chestnuts like Austria, Greece and Italy, which the U.S. is anxious to rescue from the Soviet fire, will receive loans. Countries whose hues range from pink to scarlet, such as Czechoslovakia, Poland and Yugoslavia, will turn out to be very bad risks in the eyes of the Credit Manager in the top hat and cutaway coat, with the white goatee. Even if you find this course of events quite in line with your political point of view, you must admit that it will lead to an unbalanced process of economic recovery; a process not designed to produce a healthy European economy.

Speed an Essential

According to the latest estimates, the International Trading Organization will not be functioning until 1948. However, the International Monetary Fund will be open for business on March 1, 1947, and the International Bank for Reconstruction and Development has already received its first applications from loan seekers. Pressure of events may force these international financial bodies to work faster and to move into active operation more speedily than a new outfit just learning the business would normally care to do.

It is in the field of refugees that there are signs of one of the most serious international breakdowns in Stage 2. By special dispensation U.N.R.R.A. is being allowed to continue its activities in the field of Displaced Persons until June, 1947. The slow machinery of the United Nations is still at work on the Preparatory Commission which is to bring into being the International Relief Organization, a temporary specialized agency which is to take over U.N.R.R.A.'s work with D.P.'s. For its first financial year it will have a budget of $160,000,000.

A whole section of U.N.R.R.A. has been devoted to the problem of Displaced Persons. When the war ended, there were some 6,000,000 people who had wandered, or who had been transported by the Nazis, far from their homes. U.N.R.R.A. took care of the task of restoring 5,000,000 and then ran into the tough core of some 1,000,000 refugees who, for political or religious reasons, have no desire to return to the place they had once called home.

Of this 1,000,000 some 800,000 are Jews, the bulk of them from Poland and Germany. They have no desire to return to countries which are linked in their minds with torture, concentration camps, and the wholesale slaughter of their relatives and neighbors by processes which set new standards in human bestiality.

Future for D.P.'s

I.R.O. is planned as a temporary organization, and very rightly so. The camps in which the D.P.'s now live can only be a temporary expedient. This unhappy human residue of the war can only be dissolved in one of two ways. These people must be either resettled in European countries congenial to them, or they must be resettled in countries beyond the bounds of Europe. Because there is no sign of any invitation from countries like the U.S. or Canada, the Jewish D.P.'s have turned all their hopes toward Palestine. It is entirely unreal to think of settling 800,000 people in Palestine during the course of the coming year. Meanwhile, because of the failure of the United Nations to insist on its members accepting their share of this remnant that survived the Nazi extermination policy, a tremendous pressure is built up, resulting in the current Palestinian dilemma.

At the present rate of progress, it seems hardly likely that I.R.O. will be ready to function by June. Either U.N.R.R.A. will have to be given a further extension or still another temporary body will have to be established to bridge the gap. If wise counsel prevails and the best of U.N.R.R.A.'s administrators in the field of D.P. operations are retained, the changes in organization will be less abrupt than the changes in name. But even if I.R.O. is ready in time, its basis of operation is inadequate for the problem. It has 1,000,000 people to look after, to feed, to clothe, to house, and to take care of in every way. For this it has a budget of $160,000,000. By a process of simple arithmetic, that gives it $160 per person per annum, if we forget the costs of administration.

Furthermore, the real problem is not the care of these people but their rapid resettlement. According to the decision of the United Nations contributions for administration and operational expenses of I.R.O. will be compulsory, but contributions for the expensive and very urgent task of resettlement will be voluntary.

Stage 1 in Europe's recovery was a period in which U.N.R.R.A. and the Allied Armies dealt with the needs of the people of Europe on an emergency basis. Stage 2 is a gap between the period of international relief on an emergency basis and action by permanent international organizations. If the gap proves too wide or too deep, much of our investment in emergency relief will be wasted. If political unrest spreads while we are waiting for the United Nations to blueprint, approve, finance and staff the various international bodies, events may eliminate their use before they have a chance to come into being.

They used to come in hundreds to Ontario to ski, our friends from the States. For their sakes *and* our own, let's all do our best to bring them back . . . and give them a good time when they come!

Labatt's

IT'S EVERYBODY'S BUSINESS
. . . it's good business!

Ontario profits almost as much from tourist business as from gold mining. It's up to us to keep this business growing.

Every tourist dollar is shared . . . 1. Hotels; 2. Stores; 3. Restaurants; 4. Taxes, etc.; 5. Amusements; 6. Garages.

"Let's make them want to come back!"

PUBLISHED IN THE PUBLIC INTEREST BY JOHN LABATT LIMITED

The Modern Woman instead of feeling slighted and bewildered, is relieved when she learns her husband has been thoughtful enough to put his estate into the hands of those who, like ourselves, specialize in executorship. Worry, uncertainty of what to do, and fear of poor business advice in investment matters are dismissed from her mind.

Speaking for ourselves, we can simply say that the settling and handling of many estates has put us in touch with many women and children at a time when they need everything we have of kindliness, consideration and sound advice. We have made many friends amongst them and we are proud of their generous praise.

Executor and Trustee Since 1897

CROWN
TRUST AND GUARANTEE
COMPANY
TORONTO

CALGARY • WINNIPEG • BRANTFORD • WINDSOR • MONTREAL

8-47

Government to Control Peacetime Shipping?

By W. L. MacTAVISH

Is Canada prepared to subsidize a shipbuilding and ship-operating industry, as a naval auxiliary and an influence on foreign and domestic trade?

Quietly, a group of shipbuilders and operators and Ottawa civil servants have prepared a bill setting up a Canadian Maritime Commission to be presented to Parliament.

THERE is something in the wind—the wind which blows around Parliament Hill—of which few Canadians have even heard. It is a Canadian Maritime Commission, patterned more or less after the United States Maritime Commission, and designed to continue into peace conditions most of the controls Mr. Howe's department exercised over ocean-going and lake transportation during the war. It has been kept pretty much hush-hush, but a draft act to set up the commission has been drawn up and circulated to shipping men for consideration.

The question of who is backing it is a little difficult to answer. It seems to be some of the Eastern and one or two of the Western shipbuilding interests, some of the shipping men who were on the board of Park Steamships, the principal government shipping agency during the war, with headquarters at Montreal; and several civil servants from Ottawa who had active part in the government controls during the war.

Eventually it means in all probability, as it did in the United States, subsidies from the government to both shipbuilding and ship-operating interests, which may or may not be a good thing. The draft act contemplates "granting construction-differentials to aid in the construction of ships in Canada", and "granting operating-differentials to aid in the operation of ships to and from Canada." It contemplates also "the purchase and disposal of obsolete Canadian ships, such purchase to be conditional upon replacement by new ships built in Canada."

All such funds, of course, would have to be voted by Parliament, but the recommendation of a government-appointed and government-dominated Maritime Commission would necessarily carry much weight.

Not all ship operators or shipbuilders by any means are in favor of the plan. Some of them believe in free enterprise, and are willing to take their chances and stake their knowledge and experience against government subsidies to stay in business when lean conditions come to shipping, as they must eventually. At present ocean freight rates are high and cargo space in tremendous demand. Even shipbuilding, mainly on contracts for foreign governments, China, France and others, is active. It is not on the scale of the war years when the Liberty ships were being dropped into the water on a production line basis, but between the foreign and domestic contracts and the ship-repair business most of the yards in Canada are reasonably busy.

Like U.S. Arguments

Almost precisely the same reasons are advanced for the appointment of a Canadian Maritime Commission as were used for the creation of the United States board. We need, it is said, a well-balanced Canadian fleet of moderate size, and shipbuilding and repairing facilities for that fleet, because of "national security requirements and the needs of the Royal Canadian Navy for auxiliary vessels and shipbuilding capacity in an emergency", and then we have to consider the "commodities and shipping routes and services of greatest importance in Canadian domestic and external trade." So the commission would be instructed to "encourage the scrapping and disposal of obsolete ships including government-owned ships, and the building of suitable replacement ships in Canada." Almost every word, dropping "Canadian" for "American", was used to explain why the United States Maritime Commission was necessary.

Whether those in Canada who were acquainted with the status and costliness of the United States merchant shipping fleet before the war will be impressed is another question.

Another reason may have greater validity. The Maritime Commission would "represent Canada and Canadian ship operators and shipbuilders in negotiations and discussions with other governments and on any inter-governmental maritime consultative organization in which Canada may participate." There are, it is true, few merchant navies free of government influence and control in the world today. Some of the Scandinavian countries allow their ship operators freedom of action, and it must be said that highly efficient operations result. Even the United Kingdom, for so long the champion of free enterprise, has its British Tonnage Replacement Scheme which gives the government a measure of control over all its shipping.

Free Enterprise Atmosphere?

There are, nevertheless, experienced shipping men in Canada who hold, and hold strongly, that that is precisely the condition in which free enterprise in Canadian shipping should be maintained, for the sake of the greater freedom of operation it makes possible.

Another reason is presented which has validity. It is that the Commission could "review all shipping legislation in Canada and where necessary recommend amendments." Actually legislation in Canada affecting ocean-going shipping is badly out-of-date and in need both of amendment and consolidation. Whether that necessarily requires the setting up of a control commission is still another question. A committee of parliament, after hearings, could probably do the job satisfactorily.

The extent to which lake shipping would be brought under the control of the proposed commission under the draft act is not entirely clear. In the main it seems to apply to ocean-going vessels. At the same time, there are phrases which indicate that the Great Lakes shipping would also be regarded as part of the commission's field of control. "Domestic and external trade" is clearly specified, and "the development of modern cargo-handling facilities at Canadian ports" is not confined to ocean ports. Nor does the general term, "merchant seamen," show any limitation as to deep-sea mariners.

Before Parliament passes this proposed legislation, of course, there will be long debates and probably public hearings. The pressure behind it is strong, and few of the shipping men or shipbuilders who are against it on principle are likely to "stick their necks out" by public opposition which might leave them without standing before such a commission if it is set up.

Payne Field, U.S. wartime airport near Cairo, one of the largest and costliest in the Middle East, has been handed over to the Egyptian Government. Picture shows U.S. flag being lowered during handing-back ceremonies.

With its homelike, comfortable buildings surrounded by 75 acres of landscaped lawns and wooded hills, is a peaceful haven for the mentally ill or those suffering from nervous strain and other disorders.

A staff of experienced physicians, therapists and nurses assures individual attention and the special treatment each patient requires. Moderate rates.

Physicians and those interested are invited to visit Homewood or to write for booklet to:

F. H. C. BAUGH, M.D.,
Medical Supt.,
Homewood Sanitarium of Guelph
Ontario Limited.

PLAN YOUR 1947 GARDEN NOW!

free

1947 CATALOG

PLAN EARLY TO PLANT PLENTY

Early planning is always the secret of gardening success. Wise early planning will pay you rich dividends of pleasure and profit.

Let abundance be ours, and of that abundance let us continue to contribute generously to the hungry and undernourished throughout the world. Increased production in Canadian gardens will release greater food supplies so vital to the health and very survival of millions less fortunate than ourselves.

Every gardener and commercial grower should get our 1947 Seed and Nursery Book describing countless varieties of Vegetable, Flower and House Plant seeds as well as Plants, Bulbs, Shrubs, Fruits and other Nursery Stock. Send today (Those who ordered from us in 1946 will receive 1947 Catalog without request.)

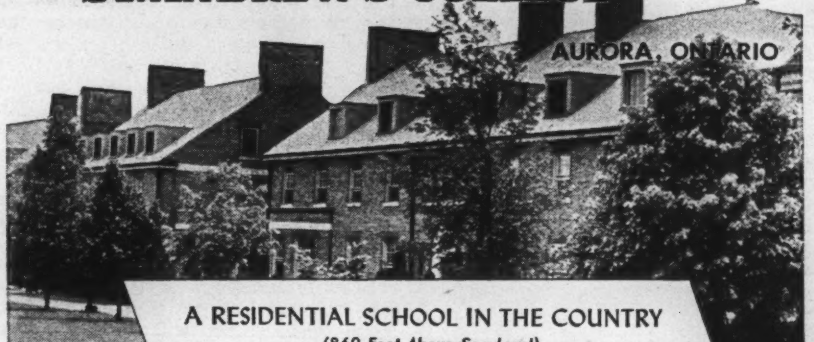
Send today for your Copy of our 1947 Seed and Nursery Book. 6W

DOMINION SEED HOUSE, GEORGETOWN, ONT.

ANGELA HOTEL

Just a Little Different
Highest Standard of Service
Excellent Cuisine
Five Minutes to Centre of City
Continental or American Plan
VICTORIA, B.C.

ST. ANDREW'S COLLEGE



A RESIDENTIAL SCHOOL IN THE COUNTRY
(860 Feet Above Sea Level)
FOR BOYS 7-18

● Highest standards of teaching and scholarship, providing a sound education and complete preparation for University entrance. Carefully planned recreation; spacious playing fields. Modern buildings, beautiful chapel, gymnasium, swimming pool, 219 acres of unrivalled grounds. Early application advisable. Entrance scholarships. Write to the Headmaster: K. G. B. Ketchum, B.A. M3

SECURITY

"Our primary objective is to maintain maximum security for policyholders. That is the principle on which the Company has grown and prospered to its present stature and the record of 1946 attests our firm adherence to that principle."

—From the President's address at the 46th Annual Meeting January 24, 1947.

Policies in Force—$465,424,118.00

Assets—$90,777,910.04

Surplus—$3,552,967.38

New Policies, 1946—$101,138,454.00

Cash Income, 1946—$22,971,593.77

Interest earned in 1946—3.94%

CROWN LIFE INSURANCE COMPANY

Established 1900 — Home Office Toronto

OTTAWA LETTER

Mr. Abbott's New Tax Formulas Near Rowell-Sirois Objective

By WILFRID EGGLESTON

Ottawa.

WE HAD a spate of important announcements and releases in the final pre-session week. What between them and the natural inclination to take a quick look at the forthcoming session there is an embarrassment of rich topics this time.

Hon. Douglas Abbott, Minister of Finance, held a press conference last Saturday to elucidate the latest in a series of tax formulas to be used in "renting" provincial fields. Mr. Abbott confessed that the two most recent options were offered following a very exhaustive examination of all sorts of possible alternatives and variations. He and his staff had looked at "fifty of them" he thought, then he modified that to say, "Well, anyway, a very large number." These new formulas are intended to be the formulas to end all formulas.

If this is not the "final" proposition of the Dominion Government, it is getting awfully close to it, he intimated. He didn't shut the door completely against any possible modification. But it would have to be definitely minor, he said.

The precise nature of the new offers has been well aired in the daily press; and I won't repeat the details here. But there are two or three aspects worth stressing.

If there is anything in the idea that the best possible agreement is the one likely to be satisfactory to the largest number of provinces, the latest proposal is certainly the best yet. At an additional cost of about $29 million a year over the offer of April 29, 1946, in actual disbursements, plus the surrender of the gasoline tax field estimated to be worth $30 million a year, the needs and requests of at least six of the provinces have been substantially met,—maybe more.

The target of the Rowell-Sirois recommendations was to place every province in a position where it could preserve its real autonomy by being able to balance its budget while levying taxes not of undue severity and while supplying average provincial services. It would be a very large contract to go over every provincial budget to see whether these proposed new subsidies do fully meet that aim, but it is obvious that they go a very long way—if not indeed, the whole way—toward meeting that objective.

$227 Million Subsidies

It is worth recalling that in 1937 the total expenditure of the nine provinces on all services was less than $260 million. The latest Abbott offer for 1947 proposes Dominion subsidies alone of $227 million. Even as far back as 1937, the provinces could count on $35 million a year from motor and other licenses, $30 million a year from liquor control, nearly $40 million a year from gasoline taxes, over $20 million a year from public domain, and another $10 million a year from smaller tax-fields not affected by the new agreements, say $135 million a year. But at current national income levels these provincial fields are yielding far more than they did in 1937. In his address to the conference on May 1, 1946, Rt. Hon. J. L. Ilsley quoted a figure of $265 million as being a reasonable approximation of what the provinces might expect to collect annually from the tax sources and other revenues still within their control, quite apart from subsidies.

If that was near the mark, the provinces would, under the new agreement, be able to collect from Dominion "rent" and all other sources a grand total of $492 million a year. Whether this satisfies "fiscal need" in every respect everywhere I do not know, but it compares with an actual outlay of $258 million on all provincial current expenditure exactly ten years ago. New arrangements which in a space of ten years permit nearly doubling in dollars the expenditures of provincial governments obviously provide a basis for substantial expansion, to relieve previously cramped situations.

The new offers of the Dominion Government are a tacit admission that their earlier ones were inadequate. It now appears that those provincial premiers who stood out for a better bargain have performed a valuable service for their colleagues.

The insistence of Messrs. Drew and Macdonald upon the need of providing provinces with clear tax fields, so that in addition to assured grants they had room for expansion within the area of their own jurisdiction, has borne fruit in the Dominion abandonment of the gasoline tax field to the provinces. Indeed, the Dominion has now gone quite a long way toward meeting the counter-proposals put forward by Premier Drew a year ago last May, and to that extent his position has been vindicated by events.

A comparison is interesting.

Drew's counter-proposal:

$12 per capita, based on 1941 population and rising with national income and population.

The Dominion abandonment of tax-fields worth about $100 million a year.

Retention by the provinces of statutory subsidies.

The assumption by the Dominion of certain additional responsibilities respecting social welfare. These were not tangible enough to put an annual figure upon, but were substantial.

Abbott's latest option:

$12.75 per capita, based on 1942 population and rising with national income and population.

The Dominion abandonment of the gasoline tax field worth $30 million a year. (This is available to all provinces, independent of any agreement.)

Retention by the provinces of statutory subsidies.

Payment by Ottawa of 50 per cent of the provincial tax receipts from income and corporation taxes in 1940. (The last two items are also subject to increase since 1942 with population and national income.)

Effect of Larger Offer

Whether the Ontario government will feel that the Dominion Government has thus gone at least halfway in meeting its proposals of May, 1946, and has thus provided a basis for satisfactory negotiations, had not been made apparent at time of writing.

One obvious effect of the enlarged offers stands out. The new options mean about $74 million a year to Ontario instead of $67 million; they mean $63 million to Quebec instead of $56.4 million. This may still not be enough to tempt either premier to sign; both of them may prefer to use their returned tax fields. But taxpayers in both provinces thoroughly understand that the new or renewed provincial tax levies to take the place of such a Dominion grant will have to be that much heavier in order to yield a parallel amount of revenue, and that a combined Dominion and Provincial levy may have to be larger than a single Dominion levy.

In a curious discordant note near the end of Mr. Abbott's statement was an observation which, when translated into other language, meant that the provinces aren't really getting that extra $27 million. They are mortgaging the future! These enlarged grants, it seems, are to be taken into account when the deals are made later on for social welfare and public investment.

This is a useful "out", presumably, to meet the charge that the Dominion is getting far too generous with the taxpayers' money. The ministry can always say that the increase in the latest options is an optical illusion, that in the long run they won't cost the Dominion treasury a red cent. To me this is just a fragment of political sophistry. When the time comes, the deals on public investment and social welfare will be based on the usual yardsticks, including current need, and these "rental grants" will be out of the picture.

On the other hand, if the latest proposals do satisfy the prime requirement of the Rowell-Sirois recommendations, and place every province in a reasonably sound fiscal position, the new sum of $227 million a year may not be a cent too high. No one has ever calculated the amount by which the national income in the years 1930-37 was depressed by the lack of Dominion-Provincial coordination, by provincial subserviency to the National treasury, and by chronic fiscal weakness, but it must have run into a pretty penny.

A group of Canadian, British, U.S., and French scientists pictured at Karachi airport on their way to attend the Indian Science Congress which is being held at Delhi under the presidency of Jawaharlal Nehru.

WHAT EVERY MAN KNOWS

"when day is done..."

and you're settled back in your favourite armchair with a book . . . at peace with the world. But first,—your pipe! Fill it with your choice Balkan Sobranie and light up. Man, what a rare cool blend this Prince of tobacco is!

For BALKAN SOBRANIE is the tobacco of men with discriminating taste—a tobacco so rich and rare that it is cultivated with the care of the garden rather than of the plantation.

A rich blend of pure Virginia—with just a dash of highly aromatic Yenidje, Balkan Sobranie has been crowned with laurels from the Courts, Clubs and Embassies of Europe.

Delivered London-Fresh in hermetically sealed tins.

⅛ lb. — 85c

At any exclusive tobacconist or department store

Balkan Sobranie

SMOKING MIXTURES

CHARTERED ACCOUNTANT WANTED

Not over 35 years, for bond house. Experience in auditing brokerage and bond accounts desirable. Furnish full particulars of experience. Best references required.

Box 43 Saturday Night.

Bishop's College School

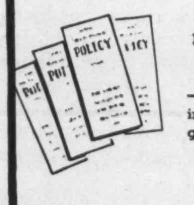
LENNOXVILLE, QUE.

110th YEAR

CRAWFORD GRIER, M.A., E.D., HEADMASTER

Highlights...

from the 57th Annual Report
for the year ending
DECEMBER 31st, 1946



INSURANCE IN FORCE
$192,624,294
—an increase of $20,831,085 in the year (being 48.3% greater than the previous record gain established in 1945). . . .

NEW INSURANCE
$30,077,247.53
(including reinstatements, etc.) effected on the lives of new policy owners . . . This is an increase of 40% over 1945 issued policies.

TOTAL ASSETS
$38,876,285.14
for security of our policy owners . . . This amount is $3,077,439.17 higher than assets at January 1st, 1946.

INCOME FOR YEAR
$6,766,126.52
—being $887,752.55 more than 1945 total income, an increase of 15%.

PAID TO POLICY OWNERS
$2,069,200.30
of which $888,482.92 was in DEATH Claims, and $1,180,717.38 to living policy owners in maturities or other benefits.

You are invited to ask for a printed copy of the complete Annual Report.

Simply mail your request by letter or postcard to:

your nearest Branch office.

BRANCHES FROM COAST TO COAST

The EXCELSIOR
INSURANCE LIFE COMPANY

A STRONG CANADIAN COMPANY . . .

Will Russia Break the Spitzbergen Pact?

By FRANK ILLINGWORTH

For the fourth time in as many years, Spitzbergen has sprung into the news. In November, 1944, Russia asked Norway to share Spitzbergen and to cede Bear Island outright. Trygve Lie, then Norway's Foreign Minister, refused. In April, 1945, Russia tried again, proposing a joint defence system but that too was turned down.

At the U.N. Assembly last November, Foreign Minister Molotov reminded Norway's Halvard Lange that Russia was still interested. Russia wants the islands "for defensive purposes" and Norway, while agreeing, tactfully reminded her of the 1920 Treaty. This Treaty, giving Spitzbergen and Bear Island to Norway, has been signed by 30 nations and can not be amended except by general consent.

FOR the fourth time in as many years Spitzbergen has sprung into the news. Little more than a name on the map in 1939, the future status of this Norwegian archipelago, situated due north of Norway and on the fringe of the polar Ice Barrier, is now the subject of consideration in London, Washington, Moscow and Oslo.

Russia wants the islands fortified "for defensive purposes", and Norway, while tactfully agreeing to the demands of her powerful neighbor, raises the question of the Treaty forbidding their fortification.

What is behind the Russian move? The Spitzbergen archipelago is frozen to a depth of 1,300 feet, except in summer when at sea-level the surface thaws and the islands' glaciers and mountain ranges stand in a vast bog brilliant with tundra flowers and polar-willows that, stunted by blizzards, seldom exceed four inches in height.

Isolated

But for all their isolated position the islands are strategically placed in relation to Greenland and Iceland: indeed it is possible that the Russian move in Spitzbergen is a reply to American airbases in Greenland.

At least two of Spitzbergen's tortuous fjords are sufficiently deep to accommodate destroyers; and several of the lesser fjords would prove suitable for light naval craft. Likewise the fjords could well be used for seaplane and flying boat bases in summer; and all-the-year-round airfields could be constructed among the fjelds without much difficulty.

Lastly, Russia's Arctic bases, Murmansk and Archangel, rely entirely on Spitzbergen mines for their coal.

Three centuries ago the islands were the focal point of the world's whaling industry. English, French and Dutch whalers, carrying cannon, preyed upon each other, fighting many a bloody battle among the floe-ice: and the islands themselves were a no-man's-land of lawlessness.

More recently, Russians and Norwegians quarried marble on the shores of Ice Fjord. But the quarries were closed when it was found that the marble, weakened by cold, cracked along its veins on reaching temperate climates. The quarrymen turned to hunting and trapping; and Spitzbergen would probably have remained a no-man's-land but for a far-sighted American mining engineer, Fred Longyear.

The pit he sank on the riven shores of Ice Fjord in 1905 prompted Russia, Norway and Sweden to claim sovereignty over Spitzbergen. All three countries embarked on mining ventures there. Subsequently the Swedes and Americans sold their interests in Oslo, leaving Norway and Russia the only contestants to 25,000 square miles of polar mountain and bog.

Ultimately, in 1920, the archipelago was handed to Norway under the Treaty of Paris, signed by Britain, the United States, France, Italy, the Netherlands, Denmark, Sweden, Norway, Finland and Japan. Russia, who took no part in this Treaty, ignored the award; and not until 1925 did she accept it together with the clause forbidding the fortification of the islands, on condition that she could retain her coal mines at Green Harbor, Barentsburg, on Ice Fjord.

The Soviet's view today is that the Paris Treaty is no longer valid because some of the signatories fought against the Allies in the recent war, and because it "disregards Russia's security and economic interests." And to assure the former and safeguard the latter she proposed the joint Russo-Norwegian defence of the islands. Meanwhile one Norwegian report says fortifications are already going up around the Soviet mines on Ice Fjord.

Between the wars, the 2,300 Russian miners at Green Harbor cut some 500,000 tons of high-grade bunker coal annually.

Spitzbergen communities were happy and prosperous. The miners, blasting through frozen rock, had to work hard to keep warm underground. But the cold prevented flooding and firedamp explosions, and preserved the pitprops, thereby reducing the risks generally normal to coal mining.

Mining proceeded even after the fall of Norway. Of course Murmansk and Archangel lost their supplies of coal, which the Germans diverted to their Arctic front.

Inevitably, an Allied force stormed Barentsburg and Longyear City, blowing up the mines and evacuating the Norwegian miners.

In turn, a German naval force of eight destroyers led by the "Scharnhorst" and the "Tirpitz" blasted the Allied installations.

Today, Spitzbergen is once again humming with activity. Beneath a polar moon that spirals upwards as it grows to the full, screwing down again as it sets (a weird effect, this!), Norwegian miners are breaking all pre-war output records. All being well they will cut more coal this year than the joint Russian-Norwegian figure of 780,000 tons in 1939.

As for the Russian mines, little is known beyond the fact that a party of mining engineers and explorers left Murmansk for Spitzbergen last November.

Russia cannot be blamed for seeking to protect her economic interests—and her vital Arctic bases—in a world torn with uncertainty. The odds are in favor of Spitzbergen becoming a new Russian base.

For TEACHING *and* SERVICE

Give to

St. John Ambulance

$1,000,000 Campaign - Feb. 2-22

FOUNDED in 1099 A. D., The Venerable Order of St. John, the oldest Order of Chivalry in the world, has been serving humanity for more than eight centuries.

In Canada, St. John Ambulance Association and Brigade — the active members of the Order — operate from coast to coast. The St. John Ambulance Association — without charge — teaches First Aid and Home Nursing and the St. John Ambulance Brigade renders a First Aid and Nursing Service wherever disaster may strike or injuries be suffered.

The activities of St. John Ambulance reach into many fields. In factory and home, at sporting events and public gatherings, on the open highways and on city streets, St. John Ambulance steadily goes about its business of saving lives and alleviating distress.

When you support the activities of St. John Ambulance, you play your part in saving lives that would otherwise be lost and in reducing the ill effects of injuries and sickness.

472

THE LIGHTER SIDE

The Tax Debate Quadrille

By MARY LOWREY ROSS

"YOU can have no idea," said the Mock Turtle, "what a delightful thing a Tax Debate Quadrille can be."

"No indeed," said Alice. "What sort of dance is it?"

"Why," said the Gryphon, "you first form in a long line—"

"Two lines," said the Mock Turtle. "Then when you've cleared all the local autonomies out of the way—"

"*That* generally takes some time," interrupted the Gryphon.

"—You advance twice—"

"Each holding an arrangement," cried the Gryphon.

"Of course," said the Mock Turtle. "*Advance twice, set to partners*—"

"Change arrangements and retire in same order," continued the Gryphon.

"Then, you know," the Mock Turtle went on, "you throw the—"

"The arrangements," shouted the Gryphon with a bound in the air.

"As far out to sea as you can—"

"Swim after them," screamed the Gryphon.

"Turn a somersault in the sea," cried the Mock Turtle, capering wildly about.

"Change arrangements again," yelled the Gryphon at the top of his voice.

"Back to land again and—that's all the first figure," said the Mock Turtle, suddenly dropping his voice, and the two creatures that had been jumping about like mad things sat down again very quietly and sadly and looked at Alice.

"It must be a very pretty dance," said Alice timidly.

"Would you like to see a little of it?" asked the Mock Turtle.

"Very much indeed," said Alice.

"Come let's try the first figure," said the Mock Turtle to the Gryphon. "We can do it without arrangements you know. Which shall sing?"

"Oh, you sing," said the Gryphon, "I've forgotten the words."

SO they began dancing solemnly around and around Alice, every now and then treading on her toes when they passed too close, while the Mock Turtle sang very sadly and slowly:

"'Will you walk a little faster?' said the Abbott to the Drew.
'There's a Budget close behind us and you're cluttering up the view.
See how eagerly the Garsons and the Douglases advance,
They are waiting for the signal. Won't you come and join the dance?
Will you, won't you, will you, won't you, will you join the dance?
Will you, won't you, will you, won't you, will you join the dance?

"'You can really have no notion how delightful it will be,
When they take you up and throw you in the Federal Treasury.'
But the Drew replied, 'Excuse me, please,' and gave a look askance,
Said he thanked the Abbott kindly but he would not join the dance.
Would not, could not, would not, could not, could not join the dance.
Would not, could not, would not, could not, could not join the dance.

"'The longer you refuse to sign, the painfuller the showdown,'
The Abbott said. 'So won't you please come join our friendly hoe-down?
For holding out induces strain but signing up relaxes,
The farther off the signing up the nearer Double Taxes.
So don't eschew, beloved Drew, our offer of finance,
Will you, won't you, will you, won't you, won't you join the dance'?"

"That's a very interesting dance to watch," said Alice, feeling very glad that it was over at last, "and I do so like the song about all those curious creatures."

"Oh, as to them," said the Mock Turtle, "they—you've seen them, of course."

"YES," said Alice. "Some of them have their feet in their mouths."

"And the reason is—." Here the Mock Turtle yawned and shut his eyes. "Tell her about the reason and all that," he said to the Gryphon.

"The reason," said the Gryphon, "is that they *would* go to the dance. So they got thrown out to sea. So they had to fall a long way. So they got their feet in their mouths. So they couldn't get them out. That's all."

"If I'd been the Abbott," said Alice, her mind still running on the song, "I'd have said to the porpoise, 'Keep back, please; we don't want *you* with us'."

"They were obliged to have him with them," the Mock Turtle said. "No wise Abbott would go anywhere without a porpoise."

"Wouldn't it really?" Alice said in a tone of great surprise.

"Of course not," said the Mock Turtle. "Why, if an Abbott came to me and told me he was going to hold a conference, I should say, 'With what porpoise'?"

"Don't you mean purpose?" Alice asked.

"I mean what I say," the Mock Turtle replied in an offended tone. And the Gryphon added, "Come, let's hear some of *your* adventures."

"I should like to hear her try to repeat something," the Mock Turtle said. "Tell her to begin."

"Stand up and repeat, ''Tis the Voice of the Sluggard,'" said the Gryphon.

"How these creatures order one about and make one repeat lessons," Alice thought. "I might just as well be at school at once." However, she got up and began to repeat it, but her head was so full of the Tax Debate Quadrille that she hardly knew what she was saying and the words came very queer indeed.

"'Tis the voice of New Brunswick, I heard him declare,
They have baked me too brown, I must sugar my hair,
As a duck with its eyelids, so he with his toes,
Declines the arrangement and turns up his nose."

"That's different from what I used to say when I was a child," the Gryphon said.

"Well, I never heard it before," the Mock Turtle said, "but it sounds uncommon nonsense."

"Go on with the next verse," the Gryphon said impatiently.

Alice did not dare disobey though she knew it would all come wrong, and she went on in a trembling voice:

"I passed by his garden and marked with one eye
How the Drew and Duplessis were sharing the pie—"

"What is the use of repeating all that stuff?" the Mock Turtle said. "It's by far the most confusing nonsense I ever heard."

Alice said nothing; she had sat down with her face in her hands, wondering if anything would *ever* happen in a natural way again.

New Qualities Mark Art of Edna Taçon

By PAUL DUVAL

THIS month, at the Eaton's Fine Art Galleries in Toronto, the Canadian painter, Edna Taçon, is having her sixth show in six years. In the present exhibition her work has reached a highly satisfactory fruition.

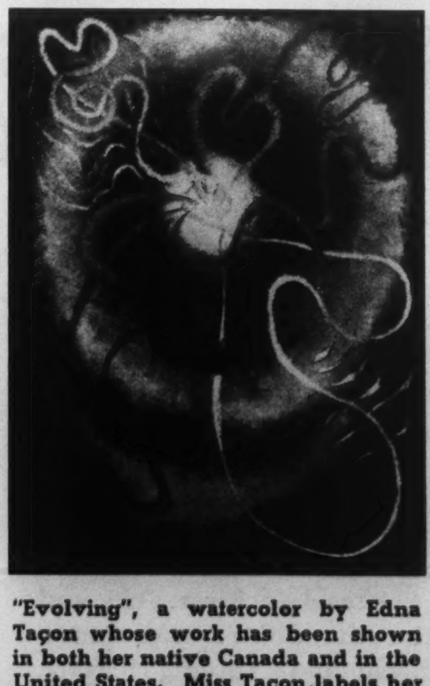
Although her painting has always possessed a quite personal and feminine note, there has been a thinness and tentativeness about it heretofore which is almost wholly lacking from her 1947 display. Edna Taçon's creations do not hit with the almost physical impact of Kathe Kollwitz nor does it have the scalpel-like purity of Georgia O'Keeffe; rather it possesses a gentle, pervading essence which necessitates considerable contemplation for full enjoyment.

In such canvases as "Caprice", "Grey Mood" and "Gaiety", I believe we have creations of a mature artist working at a high creative level. The large "Metamorphosis" is a remarkable painting, but I feel it just falls short of a full realization of its forms. As a promise of new things to come, however, this work, with its effective contrast of dissolving shapes and rigid contours, is well worth noting.

Edna Taçon, in her use of color, has at present achieved a clarity and contrapuntal excitement which was formerly lacking. Her handling of line, too, has a new, nervous richness in the most successful canvases. In some pictures, like "Fiesta", the line possesses a somewhat harsh, monotonous, wire-like character which I find unhappy; but in the handling of "Caprice" and "Gaiety" the line is broken, emerging and submerging with an intermittent, almost pulsating, character which is visually provocative. This linear quality in Miss Taçon's work has some slight kinship to Paul Klee, though there is a less-acute nervous intensity and a sort of leisurely tremor which is characteristic of her own technique.

I should like to make casual mention here of the deep seriousness with which Miss Taçon takes her work. In some countries this would seem to be a rather idle remark to make about a woman painter, but in Canada most women who exhibit paintings are non-professional ladies who paint during the holidays as a pastime. There are, and have been, a few exceptions to this; but, for the most part, our women painters, up to date, have looked upon painting as another form of club-going: the club has so many meetings annually and, as a matter of course, if you are "pukka", you go; there are so many art exhibitions annually, and, again, if you are "pukka", you paint a picture or two for your friends on the jury and exhibit. This particular practice has lowered the quality of a number of Canadian art annuals for some long time now, and, at present, looks as though it might ring the death-knell of a once potent "progressive" group.

This deep seriousness of which I speak (and also a very real competence) is reflected in almost all of Miss Taçon's paintings in the present exhibition. And I have no doubt that, given a sufficiently long lapse of time, the committees of our public galleries will get around to acquiring her work for their collections.



"Evolving", a watercolor by Edna Taçon whose work has been shown in both her native Canada and in the United States. Miss Taçon labels her provocative work "contextualism".

Oh, how I need you now

You've gotta help me, folks. I'm feeling worn out as yesterday's bone, and it's because *worms* are dragging me down, sapping my resistance.

Like most puppies over a month old, I need Sergeant's Puppy Capsules. They're safe for me and fatal to worms. Later on, when I weigh 10 pounds, you can keep me worm-free with Sergeant's SURE SHOT Capsules.

Don't wait, folks, get these reliable Sergeant's products for me today—at your favorite drug or pet store.

• Sergeant's new, FREE Dog Book is full of dependable advice on dog care. Ask for a copy at any drug or pet store. Or write Sergeant's, Dept. 44-B, 165 Dufferin St., Toronto 2, Ont.

Sergeant's
DOG CARE PRODUCTS

NEW RUNNERLESS STRAWBERRY

BARON SOLEMACHER. This greatly superior variety produces the largest berries from seed of any variety. Flowers eight weeks from seed. Easily grown. Does not have runners but produces great quantities of finest fruit throughout the season. Delicious flavor and aroma of wild strawberries. A showy pot plant and fine for garden. Plant now. Order direct from this advertisement. (Pkt 25¢) (3 pkts 50¢) postpaid.

FREE — OUR BIG 1947 SEED AND NURSERY BOOK — Leads Again 24W
DOMINION SEED HOUSE, GEORGETOWN, ONT.

VACATION IN
Williamsburg
VIRGINIA

Enjoy a holiday in historic Williamsburg—a restored Colonial community. Here, you will find real old-fashioned hospitality amid the quaint traditions of yesteryear. The sunny days and clement weather are an ideal change from northern climate.

Williamsburg Inn
Single from $6 Double from $9
Williamsburg Lodge
Single from $3 Double from $4

For reservations write Williamsburg Inn and Lodge, Williamsburg, Virginia or N.Y. Office 630 Fifth Avenue, Telephone Circle 6-8896

A neglected smile can be a WINNING smile IN JUST 3 DAYS!

Dingy teeth...smoke-stained teeth...neglected teeth...can sparkle again in just three days. That's the promise Dr. Lyon's Tooth Powder makes. Try Dr. Lyon's for just three days and see the difference it makes in your smile.

Dr. Lyon's tastes wonderful, is easy to use. Economical...matched for price, it outlasts tooth pastes two to one.

Annual Report Shows Growth with Stability

Deposits

1941	$ 1,812,824.02
1945	4,100,384.21
1946	5,683,042.28

101% of Deposits are secured by Dominion of Canada Bonds and other high-grade securities.

Estates, Etc., Under Administration

1941	$ 9,833,555.52
1945	18,536,017.54
1946	21,677,530.57

53% increase in appointments as Executor and Trustee under wills over the corresponding period of 1945.

Assets in the Hands of the Company

1941	$ 12,044,796.57
1945	23,416,281.36
1946	28,303,656.18

GUARANTY TRUST
COMPANY OF CANADA

Toronto • Windsor • Niagara Falls • Sudbury • Montreal

WASHINGTON LETTER

U.S. Security Service to Cover State and Military Affairs

By JAY MILLER

Washington.

CANADA'S prosecution of the Soviet spy ring, now in its final stages, has brought home to Americans as nothing had before, the need for a competent, overall intelligence service, for a better system of safeguarding state secrets, and for elimination of Communists and other subversives from Federal employee rolls.

The Republican-dominated Congress seems determined to take care of the Commies, but the new Secretary of State, Democrat-appointed General Marshall (who has scotched presidential talk once and for all) will doubtless have much to do with improving security measures. The proposed armed forces merger may produce the desired central intelligence unit.

The 733-page Royal Commission report is required reading here for anyone interested in the security question, and the Canadian spy expose is as live a subject for editorial comment today, almost, as when the sensational news first broke.

Marquis Childs, syndicated Washington newspaper columnist, is one of the most recent of American writers to cite the moral to Americans in the Canadian case. His plea for a more concerted effort to ferret out subversives known to be active in the U.S. contained this flattering reference to the Dominion's fair and thorough conduct of the spy trials:

"Canada is a democracy that has made real progress toward the good life for all men. In the face of this sinister intrigue, Canada has preserved the true value of a free society."

Interest in spy detection was not lessened by reports from Montreal that spies may have stolen the only print of a valuable cancer research film.

The reorganized House Committee on Un-American Activities has started to make noises strongly reminiscent of the old Dies Committee. It will start its probings in Hollywood, and then return to the Washington scene. Value of the committee's highly publicized activities is seriously questioned by less extroverted officials. Yet those concerned with setting up strong security defences and an adequate, overall intelligence service are aware that able intelligence is the "first line of defence in peacetime."

Already the State and Justice Departments have started to clean house and investigations have already resulted in expulsion of a number of people from Federal payrolls. In addition, one Carl Adlo Marzani, assistant chief of the State Department's presentation division, has been indicted for allegedly failing to admit Communist connections when he transferred to State from the ultra-secret Office of Strategic Services. Ironic aspect of his arrest was that he had produced indoctrination movies used to teach departmental employees how to protect state secrets.

Lesson for Americans

The lesson of the Canadian espionage case has been absorbed by many Americans. They are aware that Soviet espionage in the U.S. must be far more extensive than it was in Canada. They know, also, that except for the disclosures of someone on the inside like Igor Gouzenko the job of halting Communist spying must be done by a thoroughly trained agency like the F.B.I. American readers of the Royal Commission report also took note of the fact that when it was suggested to Gouzenko that he be handed over to the F.B.I. for security reasons, he preferred to remain in Canada because he feared the danger of assassination was far greater on this side of the line.

The Un-American Activities probers expect to take a peek into the State Department as soon as they have concluded their Hollywood foray. They believe that during the reorganization of the Department, expected under Secretary Marshall, is a good time to sweep out Communists or Commie sympathizers.

The State Department only recently completed the absorption of five temporary war agencies. These were the O.S.S., Office of War Information, Office of the Co-ordinator of Inter-American Affairs, Foreign Economic Administration and the Army-Navy Liquidation Commission. Officials are still screening and investigating about 3,000 employees who came to the Department from these war agencies.

Of the need for a housecleaning in the State Department Un-American Affairs committee members remarked: 1. "Fifty-three more people are under suspicion; it's a good place to start weeding out the Communists"; 2. "We could do more constructive good in getting rid of undesirable public employees than perhaps anywhere else"; 3. "We ought to examine the State Department, those guarding the national security and the Government's propaganda agencies."

Far-Reaching Reforms

The pink elements in the State Department were the cause of considerable interdepartmental friction under President Roosevelt and during the Truman regime. Remember Pat Hurley's accusations. General Marshall will probably consider this factor in studying reorganization plans, but he will likely be most concerned with increasing general departmental efficiency.

The General has been given a free hand by President Truman — with the presidential reservation that the White House have the final say on foreign policy—and blueprints for far-reaching reforms of the Department have already been drawn up for the new secretary's consideration. The proposed reforms are the result of almost 18 months' work by management experts assigned by former Secretary of State Byrnes. They have been working closely with career diplomats in the Department.

Planners studied the department's history and functions and examined State departments of other nations, notably Britain and pre-war Germany. They sought to apply these lessons of history and the other government's experiences. Practices of private business and of military staff work were also incorporated. Among proposed changes are a tightening up and general improvement in the department's "previously chaotic security system" or what one writer calls a "lack of system" for keeping secrets. No doubt, improved security will be sought by the special commission proposed to spend the next two years studying how to improve the executive branch of the American government. Authorization is expected for the bill introduced by Representative Clarence Brown, of Ohio, and Senator Henry Cabot Lodge of Massachusetts, both Republicans.

They recommend that the commission be bipartisan and that its members represent a fair balance between the legislative and executive branches and the general public. The commission would plan greater efficiency in government, especially toward reduction of bureaucracy. Thirty years ago there were about 158 Federal bureaus employing 438,057, while today there are close to 1,150 bureaus with about 2,700,000 people on the pay roll.

The Republican clamor to cut costs of government could endanger security or intelligence improvements. Economy-minded Representative Taber of New York still thinks the Army and Navy can cut their financial demands. He would lop a million people off the Federal payroll.

The Army-Navy merger plan has been cited as a convincing argument for establishing a duly-powered, central U.S. office of intelligence. The nucleus is already in existence. One year ago President Truman issued the executive order creating the Central Intelligence Group now headed by able young Lieutenant General Hoyt Vandenberg. The unit stands ready to prove its value, but its scope has been questioned in view of the fact that it was not created by law but by executive order.

Agencies with intelligence sections of their own have opposed expansion of the Central Intelligence Group, but merger of the armed services will give it necessary legal backing.

The nation long ago learned the lesson of uncoordinated intelligence forces, not only at Pearl Harbor but from other instances of divided effort by the armed services traceable to absence of combined intelligence facilities. Enemies prepare for war during peacetime, so that it is vital to security that a nation keep abreast of such plans and have accurate information on the resources, and political and military tendencies of potential enemies. If the merger is approved and a new National Defence Secretary is given direction of all three branches of the armed services, Army, Navy and Air, he may be more inclined to support the Central Intelligence Group without favoring one service.

Army Chief of Staff Eisenhower and War Secretary Patterson only this past week cautioned against a repetition of the blunder made after World War I when national defences were weakened. It is truly a time to avoid an "atom bomb mentality" as General "Ike" describes it.

NAMED TREASURER

T. G. McCORMACK
whose appointment as treasurer of Dominion Stores Limited has been announced by president J. W. Horsey.

Thomas L. Thomas, baritone star of concert and radio, will be guest-artist at the Toronto Symphony's Pop concert, Massey Hall, Feb. 7.

Write for Free Coloured Garden Guide

BROOKDALE-KINGSWAY NURSERY
BOWMANVILLE — ONTARIO

The DOMINION of CANADA General INSURANCE COMPANY
LIFE-FIRE CASUALTY

FINE PAINTINGS
by eminent artists of the Canadian, British & European Schools, always on view

RESTORATION AND FRAMING OF PAINTINGS
Cleaning and restoration of Paintings should be entrusted to proven experts only—we have been active in this highly specialized work since 1898.

Framing of every description promptly executed. Fine hand-carved frames a specialty.

CARROLL FINE ARTS LTD.
759 Yonge Street — Toronto — Midway 3185

JAEGER

JERSEY CASUAL

A two-piece Jaeger wool jersey with shirtwaist top and new skirt featuring flat back and front fullness

All sizes and in Black, Huntsman Red, Lime Green, Saxe Blue, American Beauty and Beige.

Now showing at $32.50

JAEGER HOUSE — TORONTO and MONTREAL

THE WORLD TODAY

Hindus, Moslems Can't Cooperate But Neither Can They Separate

By WILLSON WOODSIDE

THE Indian Congress Party, founded in 1885 largely by the efforts of Englishmen, with the aim of "consolidating the union between England and India by securing the modification of such conditions as may be unjust or injurious" last week unanimously approved Pandit Nehru's resolution calling for the establishment of a Republic of India, outside of the British Commonwealth.

Thus the long struggle of rising Hindu nationalism against British gradualism seems to have reached the point of decision. Two years before the All-India Congress was founded a progressive and respected Viceroy, Lord Ripon, had introduced elective local government and set Indian eyes on the ultimate goal of full self-government.

The Morley-Minto reforms were introduced in 1909, giving enlarged legislative councils an Indian majority for the first time, but leaving the power of decision still in the hands of British governors and the Viceroy. In 1919 the Montague-Chelmsford reforms carried this a long step further, by providing for still more elected Indian representatives on the provincial councils and giving some, but not all, of the portfolios of government over to their controls.

The Last Step

In 1935 the Government of India Act set up fully-elected provincial governments, and carried India within a single step of full self-government. The whole argument since then has been, not whether the last step would be taken, but how and when it would be taken.

In midsummer of 1940 the British Government solemnly declared that India would be a free and equal partner in the British Commonwealth, and that as soon as the war was over Indians themselves should frame their constitution. But considering Gandhi's disavowal of even self-defence against aggression, Britain believed that she must retain effective control of the central government until after the war.

When the wiser statesmanship of Rajagopalachari prevailed in Congress over Gandhi's somewhat abated pacifism, in the face of the Japanese menace, Britain sent out the Cripps' Mission to make clear and concrete proposals. There was still the "catch," from the Congress point of view, that those were dated postwar. But they stated, for the first time without any equivocation and without insisting that India remain within the Commonwealth, that "immediately" upon the cessation of hostilities, an elected body of Indians should frame a constitution for the country.

Turning Down Cripps

Almost certainly, Congress made a grievous mistake in turning down the Cripps' offer, after several times being on the verge of accepting it. The decision turned, it seemed, on unwillingness to assume the risks of wartime responsibility—the situation being at that time at its darkest for India — when Congress' Working Committee, which leads the party in a none-too-democratic manner, was sure that it could gain full independence once the war was over. If necessary, it could make the country ungovernable by Britain.

So the proposal which could have reinstated all of the provincial governments (eight out of eleven of which, under Congress ministries, had resigned after the outbreak of war) and given to nominees of the Indian political parties 14 out of 15 of the central government portfolios, was turned down.

About all that this effort achieved was to prove that it was not only "imperialistic" British leaders like Churchill and Amery, "refusing to liquidate the British Empire" that were standing in the way of Indian independence. The Cripps' offer had come from an outstanding Leftist, highly respected by Nehru and other Indian radicals.

When, after the end of the war, no amount of parleying between Congress and the Moslem League could produce a basis for a constitutional program, another British Cabinet mission went out. It too, failed to bring the Indian factions together. So once again, Britain produced a constitutional proposal.

The Moslem Provinces

In place of the Cripps suggestion that any province (i.e., in practice any *Moslem* province) which did not want to join in an All-Indian Union could set itself up as an independent state, the new British proposal was that the provinces with Moslem majorities should sit in the constitutional assembly in two groups, with the Hindu-majority provinces in another group, and that considerable autonomy should be provided for such groupings.

Both Congress and the Moslem League accepted this basis for a constitutional convention, and then began to hedge on it. The Moslem leader Jinnah thought he found reservations in the Hindu acceptance, and so cancelled his own.

Then the argument turned to entry into the interim all-Indian central government. Jinnah would tolerate no Congress pretentions to represent any of India's Moslems. It had become unsafe, some time since, for the Moslem president of the Congress Party, Azad, to travel in Moslem areas; and another Moslem whom Congress had nominated for a cabinet position in the interim central government was stabbed. Only when the latter resigned his post in October would Jinnah enter the government, which Lord Wavell had gone ahead and formed from Congress appointees, non-League Moslems and minority representatives.

To be exact, the proportionment of the posts was 6 for Congress, 5 for the Moslem League, and one each for the Depressed Classes or Untouchables, the Sikhs and the Christians.

Constituent Assembly

During all this bitter debate between Congress and the Moslem League, marked by Jinnah's intransigence and Nehru's growing extremism, communal fighting had spread across Northern India. In three bloody days of October 4,000 bodies littered the streets of Calcutta, and later the butchery spread through Bengal Province. One significant feature of the latter episode was the forced conversion of Hindus to the Mohammedan faith.

This brings the situation up to the present. In the interim central government five Moslem League ministers still sit with six Congress Party ministers but refuse to admit joint cabinet responsibility or recognize Nehru as leader of the government. He is merely presiding officer in the absence of the Viceroy, they insist.

The Constitutional Assembly, whose members were elected last spring, has held two sessions, but without the attendance of the Moslem League representatives. It has now adjourned, after passing the resolution on severance of connection with the Commonwealth, until April, hoping that the Moslems will by that time have decided to come in, though Nehru says that it will go ahead if necessary without them.

But talk of political formula will not get us to the bottom of the Indian trouble. It cannot be repeated too often that the real difficulty in India is religious, not political. Thus one penetrating writer, James C. DeWilde, points out in a new book on the Moslem world, *The Shadow of the Sword* (McClelland and Stewart, $2.50), that while the Hindus talk much of democracy, "in his heart the Hindu bitterly rejects democracy and all it stands for, if it were only because democracy is based upon the principle that one man is as good as another and for that reason is diametrically opposed to caste, that formidable Hindu bulwark which today is as strong and impregnable as it was thirty-five centuries ago . . ."

"Considering the fact that the Hindus outnumber the Moslems by more than three to one," this writer continues, "it is evident why democracy suits the Hindus so well when it comes to solving the political side of the Indian problem in their favor and thus giving them a strong strategic position in the coming struggle for religious supremacy on Indian soil."

This, in turn, explains in part the attitude of the Moslems. If their press and their speakers show more restraint in denouncing the West than the Hindus, "who no longer miss any opportunity to show their genuine dislike, if not outright hatred" for it, due to the deep wounds which such Western criticisms as *Mother India* have inflicted on the Hindu soul, this is because "the Moslems are aware that the Western regime in India is still very useful to their purpose."

This purpose is to secure full national independence for those regions of India in which the Moslems have a majority, and secure the rights of 35,000,000 additional Moslems now "caged" in the Hindu regions of India. From the Hindu point of view, the author goes on, this would create in the centre of the Hindu world a number of Moslem strongholds, full of potential danger and hatred directed against Hindus.

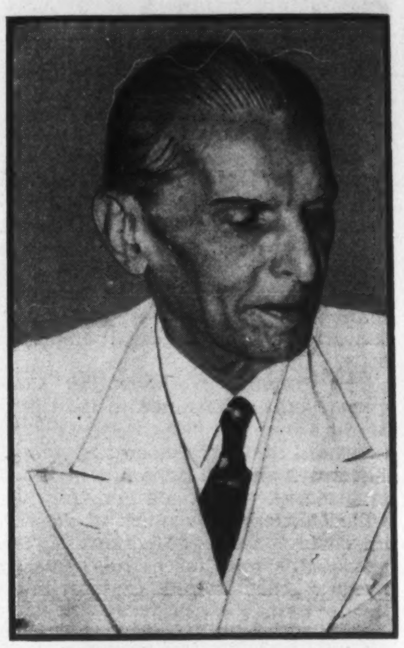
The Moslem conquest of the country is not so far behind that the Hindus can ignore this danger, especially considering Moslem proselytizing tendencies (as witness the recent forced conversions in Bengal) and the Moslem prowess at arms, in contrast to the essential Hindu pacifism.

New "Holy War"?

"What we are witnessing now," this writer insists, "is merely a jockeying for favorable position in the final battle which will decide whether Hinduism or Islam will be the principal religious and political power in India . . . To look to London as the stumbling-block in the Indian dilemma is to look in the wrong direction."

Certainly it would be wrong, he admits, to accuse the entire Hindu world of being anti-Western. But he cautions that it would be equally wrong to suppose that there is any deep affection between Moslem India and England.

It is true that culturally and psychologically the Moslems are closer to the English than the Hindus are, and there are sound reasons why British and Moslems entertain a certain mutual respect (much of this being gained in the Indian Army). But the fact remains that in Moslem schemes for the future there is no place for British rule in India. The Moslem



MOHAMED ALI JINNAH
President of the Moslem League

Business is moving to B.C.

CONSTRUCTION UP!

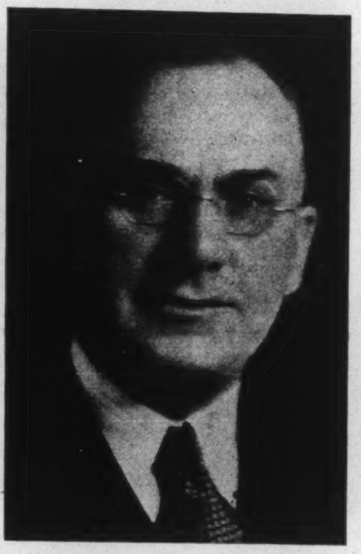
A survey conducted for the first ten months of 1946 showed building permits issued totalled $55,537,473, as compared with $27,565,353 for the same period in 1945. Builders estimate that when the total for 1946 is totalled up the figure will reach approximately $65,000,000. This is almost twice that of 1945 and three times that of 1944.

B.C. Electric,
Industrial Development Division,
600 Granville Street,
Vancouver, B.C.

Please send information on British Columbia to:

NAME.....

ADDRESS.....

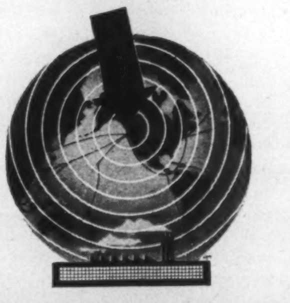


EDWIN G. SMITH
. . . enjoys year-round golf

NEW TRADE DEALS BOOM BRITISH COLUMBIA BUSINESS

Millions of matches daily pour from the shiny new Victoria plant of Western Match Company, recently established in British Columbia's capital city. President is Edwin G. Smith, golf-loving executive of the company and one-time president of the Canadian Daily Newspapers Association. Western Match located in Victoria to cash in on the growing domestic market of Western Canada. Primary producing provinces of adjacent Alberta, Saskatchewan and Manitoba represent expanding market of over 3½ millions *with money to buy.* Big factor, though, in locating in British Columbia is profit possibilities out across the blue Pacific.

Industrial Canada is on the move. Export is one reason why.



PACIFIC TRADE IS ONE REASON WHY!

Western Match Company is typical of the hundreds of new plants that have set up shop in this great Province of unlimited raw materials and profit possibilities. They produce the first matches ever made in quantity in Western Canada . . . matches to light the lamps of China . . . cigars of South America . . . brown-wrapped cigarettes of the Philippines . . . and, perhaps, the pipes of Russia.

Millions of potential consumers across the Pacific Ocean are looking to British Columbia for the necessities and luxuries that will ring cash registers for manufacturers in Canada's temperate region.

Money is plentiful in the Orient today . . . merchandise is scarce. British Columbia sits almost in the lap of this centre of purchasing power. Pins or pianos . . . matches or mowing machines . . . tools or toys . . . the demand is there with cash on the barrel-head.

With your factory situated in British Columbia this market is yours . . . and British Columbia Electric delivers the goods in abundant cheap hydro-electric power . . . temperate climate gives you low building, maintenance and fuel costs . . . all-year golfing . . . shipping facilities on Pacific tide-water are second to none.

PANDIT JAWAHARLAL NEHRU
President of All-India Congress

world will never forget, for one thing, that it was the British who tore India from the rule of the Moguls.

The Congress insistence on One India under a Hindu majority government, with the doors and windows barred against the secession of the Moslem provinces, this student of the Far East concludes, is completely incompatible with Moslem interests. "A settlement of the Indian problem on this basis would only be the preamble to civil disturbances of unprecedented proportions, fought on the part of the Moslems in the name of the holy war, with all its implications of spreading far beyond the borders of India."

One thinks of how quickly the ominous call by Moslem League leaders last fall for "direct action" resulted in the Calcutta horror, and of the trouble in the Punjab last week when a Congress-dominated provincial government sought to ban the Moslem League's National Guard storm troops, and all they portend.

In considering how a struggle for India might come out, too many writers have dwelt on the Hindu three-to-one majority in population, and too few on the larger proportion of Moslem fighting men, who have always provided the greater part of the Indian Army.

Yet when one turns to the possibility of a partition of India into Hindustan and Pakistan, the problem is even more baffling than seeking unity within a single state. Such a division would be purely artificial. "Pakistan" would have to be in two parts, one in the North-West and one in the North-East of India, separated by some 700 miles.

But Bengal, which would be the main element of the North-Eastern section of Pakistan, is only slightly more than half Moslem, 33 millions to 27 millions, and is a geographical and historical entity. When Lord Curzon tried to partition it for administrative purposes in 1907 there was a tremendous outcry.

And the Punjab, the rich and vigorous province which would be the core of the North-West Frontier Province adjoining it, home of the warrior Pathans, is Moslem, true; but under the impressive leadership of Khan Abdul Ghaffar Khan it has been strongly pro-Congress.

The Native States, Too

Any arbitrary division on India would leave tens of millions of Moslems and of Hindus on the wrong side of the boundaries, and in an atmosphere which would lead to intensified persecution. Jinnah has begun to talk of the necessity of exchanging these minorities. But is there any real solution in the shifting of tens of millions of people? Would not division sharply increase antipathy, and lead inevitably to the building of private armies, once the separate states of Pakistan and Hindustan were completely free to do this?

Then, interlaced through the whole of India, Moslem as well as Hindu, are the native princely states. Some of these, under a rule of benevolent autocracy, are among the quietest and most progressive parts of the country, while others are feudal anachronisms.

Mysore, as mentioned, is the model state of India, with a vigorously developed industry, modern schools and an efficient administration. In the pleasant matriarchal state of Travancore the new Maharajah some years ago gave Untouchables admission to the Hindu temples.

The strongest of the princely states, Hyderabad, has a Hindu population ruled by a Moslem dynasty. Kashmir, the "happy vale" in the far north, has a Moslem population ruled by a Hindu prince. These 500-odd native states, not under direct British rule, are laced all through what has been known as British India. The country's railways pass through their territories. No proper Indian Federation could be formed without bringing them in.

They are due to join in the discussions of the Constituent Assembly at a later stage. But obviously they cannot simply be "taken over" or coordinated by an Indian Republic from one day to the next. Indeed, there is the possibility that some would resist encroachment by force of arms. In many of them, the moderate Indian writer Raman admits, the people would vote to retain their rulers.

How long a study and how long an article would be adequate to this terrifyingly vast and complex problem? What is the solution when you have 400 million people, increasing at the rate of 50 millions in a decade, though they have long since outstripped their food supply; over three-quarters of them illiterate and living in perpetual hunger on an average daily wage which has been estimated at five cents a day; with a gulf of centuries between the mediaeval dynasties of the princely states and the young, half-baked intellectuals flooding out of western-style university courses into "modern politics?"

"Too Little and Too Late"?

It may be that the orderly government, the security of the frontiers and the great irrigation schemes which British rule provided, have come nearest to supplying the real needs of the country. But the ideas of freedom and self-government which the British also brought in set a term to their domination, and now this term has expired. No one today defends a British "right" to rule over Indians, and this can no longer be for "their own good" if they don't want it.

Has it been merely another case of "always too late and too little" with the British political reforms in India? I can see several reasons for hesitating to seek this easy way out of self-blame. It is, significantly, the strong and able British administrators who have been praised in India. Must these not have felt from time to time that strong personal rule was the kind which the Oriental respected, and which answered his needs, found confirmation of this in the functioning of some of the native states, and been forced to doubt whether a forcing of the process of self-government was the best service to India?

Then there is the fundamental difference in the Eastern and Western character. A Moslem poet, Sir Mohammed Iqbal, has put this graphically in a few lines. Western man, he says, thinks chronologically. He lives, moves and has his being in time. Eastern man's world consciousness is non-historical. To the Western man things gradually become; they have a past, present and future. To the Eastern man they are immediately rounded-off, timeless, purely present.

"The British as a Western people cannot but conceive political reform in India as a systematic process of gradual evolution. Gandhi, as an Eastern man, sees in this attitude nothing more than an ill-conceived unwillingness to part with power." Or, as it would be put in our current lingo, the British and the Indians have just never spoken the same language.

Today, however, "democracy" is the political climate of the world. The Indians are going to try it whether it suits their character, their institutions or their state of education, or not.

One can only hope that such great Indians as Nehru—when he is at his best—and Sir Ramaswami Mudaliar, who I thought gave the finest speech of all at such a world gathering as the San Francisco Conference, will be able to guide the highly dangerous transition from British to Indian rule; and that a more constructive leader than Jinnah will rise to lead the Moslems.

The challenge of raising the Indian multitudes out of their poverty and wretchedness could absorb all of their combative energy, and the alternative of religious war ought to be frightful enough to compel them into cooperation, unwilling though it might be.

Public Confidence

Canadians contracted with this Company for one hundred and ninety-seven million dollars of life insurance during the past year ($197,819,000). These purchases exceeded those of any previous year by over a million dollars a week.

The total amount of financial security which London Life policyholders have provided for themselves and their families is now more than one billion, two hundred and eighty million dollars ($1,281,101,000).

Reports of the Company's stewardship presented at the recent Annual Meeting show that the growth in size has been accompanied by a further increase in financial strength. The assets of the Company are two hundred and forty-eight million dollars ($248,782,000), and to safeguard the interests of policyholders, making "assurance doubly sure" for them, contingency and surplus funds amount to 8 per cent of the assets.

The strong position of the London Life is evidenced by the fact that, in spite of the general decline in interest rates, it has been able to maintain its tradition of low cost insurance to policyholders. In fact, many owners of policies on "protection plans" will receive increases in dividends during 1947. The Company's record over the past half century for low cost life insurance has been unexcelled.

The healthy and rapid growth of the Company is the best possible assurance of continued satisfaction to policyholders, and one of the reasons the London Life merits public confidence in full measure.

A copy of the 1946 Annual Report will be mailed upon request to any Branch Office.

London Life
Insurance Company
Head Office - **London, Canada**

Winnipeg Girl Becomes a Violin Cinderella

By KATHLEEN STRANGE

How a talented young Winnipeg girl has climbed to eminence as a concert violinist — by way of training and concerts in her home town up to a debut appearance at New York's Town Hall next week — is here related. Donna Grescoe has musical taste, ambition and a willingness to work hard.

ON FEBRUARY 3, 1947, Donna Grescoe, an eighteen-year-old, Winnipeg-born violinist, will make her formal American debut at New York's Town Hall.

This talented young woman's Cinderella-like career began when she was only six years old. Like all people with Ukrainian blood in their veins, her parents were exceedingly musical, and wanted their small daughter to begin to learn music as early as possible. To this end they enrolled Donna, in 1935, in what was known as the Beresford School of Music (long since defunct), which specialized in teaching mandolin, guitar, violin and so forth.

"We used to stand in rows and saw away all together," Donna laughingly recalls. "We didn't learn much about music, I must confess, but I did find out I had a liking for the violin."

Little Donna's aptitude for the fiddle was so great, indeed, that almost at once she began to appear in public. She played as often as three times a week at service luncheons and charitable affairs. She took part in radio shows. She entered audition contests and won week engagements at different movie houses. At eight she was earning the magnificent sum (to the Grescoes, at any rate) of $30 a week as a member of the regular vaudeville program at the local Beacon Theatre!

Her parents next enrolled her with George Bornoff, a talented Russian music teacher living in Winnipeg's "North End." At that time Donna was musically completely ignorant. George Bornoff, however, recognized real talent when he heard it. He pushed the child along so fast that within a year she was ready to sit for her London Royal Society of Music seventh grade examinations. Donna says that she was very scared. But Mr. Bornoff told her confidently: "You can do it, Donna!" And she did. She passed with distinction.

"I owe just everything to Mr. Bornoff," she now proclaims.

In 1938, when Donna Grescoe was ten years old, she won a $5,000 scholarship of the American Academy of Music and went to study in Chicago and New York. At the end of the year, owing to financial difficulties, she was forced to return to Winnipeg.

In 1942 Mr. Bornoff entered her in the Concerto Class in Winnipeg's great Musical Festival. Hundreds of people still remember the pretty, curly-headed little girl, with the high Slavic cheekbones and the slender, "alive" hands of the born artist, standing on the platform completely engrossed in her music. Donna's skill, even then, was as much of the spirit as of the fingers.

Arthur Benjamin, one of the adjudicators at the Festival that year, awarded her 97 marks for her playing of the Mendelssohn Concerto, and said: "Hats off, gentlemen! A genius!" And Roy Maley, music critic of the Winnipeg *Tribune*, on learning that Donna was playing on a borrowed violin, rushed back to his editor and exclaimed: "That child must have a good violin at once!"

Newspaper's Concert

Donna got her violin. In May of the same year, the Winnipeg *Tribune* sponsored the huge concert that raised the money to buy for her the Michel Deconnet violin (Venice, 1754), valued at around $1,000, on which she has been playing ever since.

A little later William Primrose, the world's greatest viola player, heard Donna Grescoe play, and stated emphatically that it would be a crime if the child didn't have a chance. So a committee of the Winnipeg Women's Musical Club was immediately formed to look into the matter of her future career.

The Club awarded Donna a $100 scholarship, which became the nucleus of a Trust Fund, subscribed by prominent Winnipeg citizens and administered by the Donna Grescoe Educational Trust Fund Committee. This fund has since provided over $3,000 for Donna's musical education.

In September, 1943, Michel Piastro, former concert master of the New York Philharmonic Orchestra, accepted Donna Grescoe as a pupil. Donna has been studying with this great teacher for the last three years. For two of those years her old teacher, George Bornoff, now head of the Violin Department of Teacher's College, Columbia University, New York, attended lessons with her, supervised her studies and coached her in her work.

Donna Grescoe made her formal Canadian debut in Winnipeg's Civic Auditorium on the night of October 1 last and adequately displayed to a capacity audience of some forty-five hundred enthusiastic people that she had more than fulfilled the faith and trust that Winnipeggers had placed in her in 1942, when they had undertaken to sponsor her musical studies. Now comes her American debut and a promising career lies ahead.

It has been said of Donna Grescoe that she has all the qualities of the born violinist—the wide, rich tone, the sensitive but powerful bowing arm, the sure intonation and the fine sense of rhythm that are essentials in the virtuoso. She also has musical taste, and the ability to impose that taste on her audiences. She has ambition and thoroughness and a willingness to work hard. In addition she has a lovely, ingenuous face and a charming, equable disposition.

Canadians, and Winnipeggers in particular, will follow her future musical career with interest, sympathy and affection.

DONNA GRESCOE

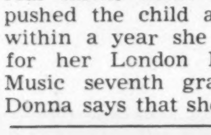
TO HEAD LIFE UNDERWRITERS

FERNAND DE HAERNE, C.L.U.

of Montreal, elected President of the Life Underwriters Association of Canada at the Annual Meeting of the Association, held in Toronto on January 24.

Mr. de Haerne is Manager at Montreal for La Sauvegarde Life Assurance Company.

GROUND CHERRY



The Ground Cherry grows from seed the first year. Golden yellow fruits, size of cherries, unexcelled for pies and preserves, also pleasant to eat from the hand as you do strawberries. When dried in sugar they equal raisins for cakes and puddings. Very prolific. Will keep late in winter if stored in a cool place. Order now. (Pkt 15¢) (2 pkts 25¢) postpaid.

FREE — OUR BIG 1947 SEED AND NURSERY BOOK — Leads Again 11W

DOMINION SEED HOUSE, GEORGETOWN, ONT.

THE THEATRE

Wolfit Season Has Some Limitations

By LUCY VAN GOGH

IT IS now possible to assess the Wolfit enterprise with some assurance. It owes a good deal of its success to the courage of Mr. Wolfit himself in undertaking the presentation of plays which have for one reason or another been avoided by recent producers. This was the case with "Lear" and "Volpone", upon which the fame of the company chiefly rests. Both are plays which can make a good impression with one first-class actor and one or two good people in support, and both need a good delivery of the main speeches, which Mr. Wolfit and a few of his players can provide. For the rest of the show he relies largely on bustle and business, of which the Elizabethan stuff provides a plentiful supply.

He does not "star" in the sense of shifting the proportions of the play to increase the impact of his own role, and this is partly because the current taste does not approve of that method, but still more because he could not in himself create and sustain the illusion of romantic grandeur which that method requires. He has an intelligent grasp of the more obvious dramatic significance of each of his roles, but not, one thinks, a deep poetic insight into them. His playing is that of a sound craftsman rather than a genius. He interests us in the dramatist's creation; he never carries us away with his own.

Not Dazzling

This is a perfectly legitimate way, and for general purposes a thoroughly necessary way, of presenting Shakespeare; but it is not a dazzling or a memorable way. The day one sees Wolfit's Lear is not a red-letter day. And with this kind of acting in the top role one is entitled to expect a slightly better over-all average in the rest of the company. The female roles in the Elizabethan drama were not written for women, but for boys, and the play *as a whole* is never improved by the presence of a really great actress, so we shall not complain that Rosalind Iden stops at the limits of a high level of competence. But among the men there are too many whose capacities do not extend even to the length of projecting poetical speeches into an auditorium not more difficult than the Royal Alexandra. Honorable exception from this censure is due to John Wynyard, whose Mosca in "Volpone" was pretty richly colored, and to Geoffrey Wilkinson in the clown parts. But too much of both the wit and the poetry of Shakespeare was cast to the wind by inadequate delivery by other players.

"Volpone" is a curious example of Elizabethan extravagance at its uttermost. It is extravagant in its poetry, its rhetoric, its one-motive characters, and the violence of its action. It must be played extravagantly, and Mr. Wolfit plays it so. It deserves to be occasionally staged, because a closet reading cannot convey the brilliance of the lines or the theatrical effectiveness of the action. But it is a museum piece rather than a living drama, and its element of masque has nothing to say to a 1947 audience. (Knowing this, Mr. Wolfit provided the masquers with a certain amount of ballet business, so that it did not matter that nobody heard what they had to say.) Without Mr. Wolfit's notable skill in elocution it would be quite impossible; and an actor of genius with a much richer conception of the character might easily fall short of him in this respect and do a poorer show. The truth is, however, that the role is hardly likely to appeal to genius; it is a "humor" rather than a character, and the poetry of its language proceeds obviously from the playwright and not from the person on the stage.

There is still a good deal of truth in the observation of Coleridge concerning this play, that it is impossible "to keep up any pleasurable interest in a tale in which there is no goodness of heart in any of the prominent characters." We suspect that the current interest in it is mainly concerned with the outrageousness of the chief situation, in which Corvino offers his wife to perform the office of the Shunammite woman for Volpone, whom he supposes to be dying. In any "realistic" period, in which the action on the stage evokes the feelings of the audience as would a real event of the same character, this scene is bound to be intolerably painful or else to be a failure; but we have now ceased to look on the stage action in that way and can accept it as a fantasy or allegory or "device"—which an audience of thirty years ago was unable to do.

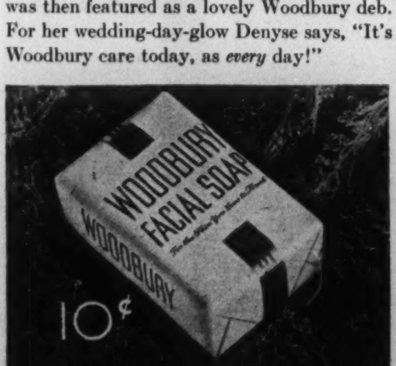
"For you alone"

ANOTHER WOODBURY DEB WEDS

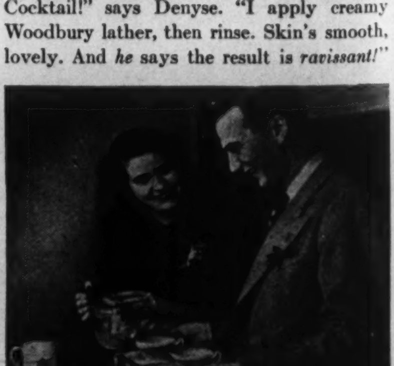
They met at a wedding . . . now it's *their* wedding! Sparkling Woodbury deb, Denyse Quintal of Montreal . . . happy-happy man, Jean T. Vien. For her creamy-bloom skin, Denyse adores Woodbury Facial Soap. Made *extra-mild* for the skin alone! Yes, a *true* beauty soap!

Bride made debut at St. Andrews Ball . . . was then featured as a lovely Woodbury deb. For her wedding-day-glow Denyse says, "It's Woodbury care today, as *every* day!"

Her look-lovely date. "My Woodbury Facial Cocktail!" says Denyse. "I apply creamy Woodbury lather, then rinse. Skin's smooth, lovely. And *he* says the result is *ravissant!*"



Beauty-cream ingredient used in Woodbury Facial Soap makes it *extra-mild!* Such creamy lather, divine for sensitive skin. A beauty treatment in cake form! Try it—you'll *see!*



Music and cooking. In both hobbies, Denyse stars. "My *smoothest* recipe," she vows, "is a luscious Woodbury Facial Cocktail!" Yes, girls, it's Woodbury for *smooth* skin-appeal!

(MADE IN CANADA)

LONDON LETTER

Britain Really Means Business with Town and Country Bill

By P.O'D.

London.

RESPECT for property is an ingrained British characteristic, and especially respect for property in land. Nowhere in the world are people more land-conscious — perhaps because there is comparatively little of it to go around—and nowhere is a man so determined to do as he pleases in his own backyard, whether it is measured in square feet or square miles. On this the owner of a suburban bungalow takes his stand beside the owner of ancestral acres covering half a county. They are both landowners.

Whatever may be said in praise of this sense of pride and freedom in the possession of land, there can be no doubt that it has been the chief obstacle in the way of any comprehensive application of town and country planning. Over and over again vast and impressive schemes of development have come sailing in, with every advantage of wind and tide, only to wreck themselves on this ancient barrier, this reef of planners' woe. Landowners have refused to sell, or demanded fantastic sums in compensation, or set about developing on their own with no regard to anything but their immediate profit, or sold out to the jerry-builders.

Obviously the first step, before anything important could be achieved in the way of national planning, is to blast a way through this traditional obstruction. Obviously too the Socialists are the boys to do it.

Now at last the long-expected Town and Country Planning Bill has been published. It makes clear that the Government really means business, and is preparing to take over the control of land everywhere, so far as plans of development are concerned. Under this Bill the landowner will no longer be able to build on his land as he pleases, or to refuse to let the authorities build on it as they please. All such development will be a matter of national planning, and will have to receive official sanction.

Naturally the question of compensation looms large in this matter. It has always been the biggest rock in the reef. The way the Government proposes to solve the problem is to pay compensation to owners in those cases where the refusal of permission to develop inflicts a loss on them, and to make the owners pay a betterment charge where the land is developed and they obviously profit from it, whether the development is carried out by the owners themselves or by the authorities. In all cases the "existing-use value" as in 1939 will be the basis for comparison. For purposes of compensation a sum of £300,000,000 is being set aside.

All this seems fair and reasonable enough, and the Bill has on the whole had a favorable reception.

There will of course be a bitter struggle in the House of Commons, where the Bill is certain to be fought over clause by clause — especially those having to do with compensation. There may even be minor changes made. But the Bill, as a whole, will be carried by the usual huge majority, and the public generally will approve. Something of the kind has long been due, and overdue.

Angry Bewilderment

Many a Tory heaved sighs of selfish relief that it was a Socialist Government and not a Conservative one which had to deal with the recent strike of lorry-drivers. This strike tied up the distributive activities of London, including the distribution of food, and threatened to spread all over the country.

Troops were used to move necessary supplies, and for a time there were possibilities of an ugly situation developing. It did not. This is a country where good sense usually prevails in the long run. But one cannot help wondering if sooner or later there will not come a full-scale test of strength between the Government and rebellious forces of labor.

To Canadians, looking at all this from a distance, it may seem odd that British labor should be so mutinous and dissatisfied. The British workingman appears to have got all he wanted—far more indeed than he could have hoped for a few years ago. He has much higher wages, increased social benefits, much better conditions of work, holidays with pay, a practically closed shop, nationalization, and the kind of government he asked for. What is left that he can reasonably demand? The answer is, a better life.

British workingmen seem to be suffering from a sort of angry bewilderment. All the gains they have made have apparently got them nowhere in terms of actual living—more comfortable houses, better food and clothes, better beer, most of the things they hoped to enjoy.

They used to blame the employers. Now they blame their union leaders. One of these days they will blame the Government. It is then that we may see the struggle to decide whether it is to be a government of the people, for the people, and by the people, or a government of the people for and by Labor.

In the meantime, they will probably go on striking, suddenly, unofficially, disregarding the appeals of their union leaders, and holding the public up to ransom—after the pleasant Corsican custom of sending along a few ears to reinforce the demand. But even this public may finally rise up in its own defence, as it did in the general strike of 1926. That is a lesson which labor would do well to remember.

Deserving Knighthoods

Everyone is pleased about the knighthood conferred on that fine and versatile actor, Ralph Richardson. The honor has been fully earned by his splendid services to the English stage—not forgetting his other service during the war as a pilot in the Fleet Air Arm. He was released in 1944, and since then has been adding to his fame with many notable performances, especially his magnificent Falstaff. He is an actor who does almost everything well.

Incidentally, what a wonderful school of acting the Old Vic has been! Richardson is one of its graduates. So are Olivier and Gielgud. And since knighthoods are being handed out for services to the English stage, why not an accolade for these two as well? As actors and producers they have surely deserved it. But, no doubt, these honors will come in time.

No New Boats

Tucked away in harbors all around the coast of England, especially in the south, there are little boat-yards where a great deal of beautiful and skilful work is done in the making of various types of small craft, yachts, motor-boats, skiffs, and the like. It is a traditional industry, and methods have changed very little in the course of centuries.

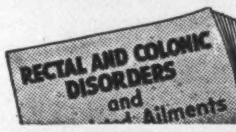
Recently these small boat-yards have been very busy, for there has been a tremendous revival of interest in yachting and aquatic sport generally. But now the Admiralty has issued an order refusing licenses for the construction of new craft, owing to the shortage of timber.

It looks as though most of these little yards will have to close, and many thousands of highly-skilled workmen may be turned away to other employment. It would be a tragedy, and earnest efforts are being made to avert it. This is one country where the building of boats should never be regarded as a luxury trade, even by Socialists. Certainly not by the Admiralty.

Permanent position for McGill graduate in placement bureau. Must be a good organizer and administrator with personnel experience. Attractive salary. Apply stating age, qualifications and references to Box 74, Saturday Night, Toronto.

Oriental Cream
GOURAUD
gives a touch of satisfaction. Recaptures that soft, tender skin of youth.
White, Flesh, Rachel, Sun-Tan

FISTULA
Often Undermines Health.
FREE BOOK—Explains Facts



Avoid Dangers of Delay

Fistula, Rectal Abscess, Piles or other rectal and colon troubles are a fruitful source for associated chronic ailments that undermine health. Learn the facts. 122-page book on these conditions sent FREE. The McCleary Clinic, C273 Elms Blvd., Excelsior Springs, Mo.

Tell us... did our Company have a good year?

Yes . . . we certainly did!

Not only did we issue much more new insurance than in any previous year in our history, but the total of our business in force also reached a new high figure. The amount paid to us in premiums was at the highest point. The assets which are held for the protection of the policy-owners continued to be profitably invested.

For the past 66 years, North American Life has been carrying out its function of relieving beneficiaries of financial distress and providing comfort in old age to an ever widening group of policyholders and their dependents.

As one of 105,000 policy-owners, you are a partner in this fine mutual organization which you, through your co-operation, have made possible. We believe that our company's record justifies the confidence you have placed in it and that it will successfully merit your patronage when planning further life insurance and retirement income protection.

If you would like a copy of the 1946 Annual Report please call or write your agent.

New Business	$ 60,980,756
Business in Force	$403,446,916
Payments under Policies	$ 5,516,894
Assets	$104,877,198
Special Reserves and Surplus Funds	$ 6,605,308

NORTH AMERICAN LIFE
A MUTUAL COMPANY
HEAD OFFICE: TORONTO, ONTARIO

ESTABLISHED 1881 · A MUTUAL COMPANY

MUSICAL EVENTS

Full Week for Toronto Symphony and the Associate Conductor

By JOHN H. YOCOM

OF ITS present 66-concert season, last week was one of the busiest for the Toronto Symphony Orchestra with two performances in Toronto and two in Hamilton, one of these being the second of three for Hamilton school children. The high level of performance in the four gave further support to Australian conductor Professor Heinze's estimate in Ottawa last week that "Sir Ernest MacMillan has built up a truly great orchestra."

The symphony conductor as we know him is a comparatively modern invention. In the 17th and 18th centuries he was little more than a glorified time-beater, sometimes filling in the harmony at the harpsichord. The 18th century social caricaturist Hogarth painted a nine-piece orchestra with four of the members playing with backs to a director frantically beating time.

The week was also a triumph for associate conductor Ettore Mazzoleni who directed the polished performances. In the subscription concert he piloted the musicians through 18th century French composer Gossec's refreshing Symphony in D, producing from the simplicity of themes and developments an elegance that reflected the century of its origin. Elgar's "Cockaigne" Overture was mildly programmatic, suggesting typical scenes of London at the end of the last century. Although Mr. Mazzoleni and the orchestra exploited the available variations in mood in the episodes and delivered the occasional, appealing theme, the total effect was that of a lightweight affair with a skilfully balanced orchestration as compensation.

Like a Salvador Dali nightmare movie sequence was the lengthy "Symphonie Fantastique" by Berlioz, consisting of five episodes in the life of a young artist of unhealthy sensitive nature—Dreams and Passions, A Ball, Scene in the Fields, March to the Scaffold, and Witches' Sabbath. Berlioz himself explained that the musician had poisoned himself in a paroxysm of lovesick despair with a dose of opium too weak to cause death. (Back of all the self-revealing and morbid music lies the fact that at the time [1830] Berlioz was carrying a torch for Henrietta Smithson.) For those days it was a tremendous work and reflected as much dramatic vividness as Coleridge's "Ancient Mariner" as well as the orchestra's power-house (e.g., 4 tympani at once, 2 tubas, etc). Certain themes—the leisurely-paced Valse, in "The Ball" the pastoral melody by *cor anglais* and oboe in "Fields"—are appealing, but the "Fantasie" nowadays only gives a juicy bit of Berliozan autobiography, leaves an impression of theatrical excesses.

No chamber of horrors was the Pop concert of "Old Favorites": Mozart's "Figaro" Overture, the *pizzicato* Stix-Ormandy "Child's Play Polka," Strauss's "Trisch Trasch," Tschaikowsky's delightful "Capriccio Italien," Sullivan bouncy "Pinafore" Selections, and Borodin's "Polovetsian Dances." Conducting unostentatiously, Mr. Mazzoleni instilled a freshness and vitality into the old chestnuts that captivated the audience.

Guest artists were blonde Met contralto Anna Kaskas, who also sang on the Hamilton programs, and brunette Viennese contralto Herta Glaz at the Pop. Miss Kaskas' voice has an impressive tone richness, especially in the lower register. However, at times in Tschaikowsky's "Pilgrim's Song" and in two Brahms selections) her decreased volume was covered by too loud orchestral accompaniment. Miss Kaskas engaged the sympathies of her hearers by manifest sincerity, an excellent range and an agreeable tonal quality. Miss Glaz' operatic background in the U.S. and Europe was reflected in the "Carmen" "Card Scene" aria and "Habanera," which while having pleasing musical qualities lacked dramatic projection. Her solo group with Leo Barkin's accompaniment needed contrasts in moods. The songs—Reger's "Virgin's Slumber Song," Levitzky's "Do You Remember," Calleja's "Adios Granada" —all had the intense emotion suggested either by shut eyes, a damp, twisted hankie, or a furrowed brow, hardly fitting the jigsaw pattern of an Old Favorites Pop night.

Paying a brief visit to Toronto, the brilliant violinist, Harry Adaskin, now professor of music at the University of British Columbia (S.N., Sept. 14), is to give a concert on Feb. 15 at the Conservatory concert-hall, University Avenue.

Mendelssohn Choir Tour

Toronto's famed Mendelssohn Choir of 195 voices, 56 of them new this season, has announced the most extensive concert program since 1936 with the possibility of an American tour sometime this year.

Paul H. Mills, newly-elected choir president, is hopeful that the choir will visit Buffalo, Rochester and New York. Buffalo and New York were the first cities visited by the Mendelssohn Choir early in the century and there it was hailed the "finest on this continent," a reputation that has remained with it ever since.

Coming Toronto concerts to be offered by this distinguished choral group include an *a capella* or all-choral concert at Massey Hall, Feb. 20—the first such concert in 11 years — when Simone Flibotte, young Montreal soprano, will be assisting artist; two performances of Bach's "St. Matthew Passion" during Easter week at Convocation Hall; an appearance at the final subscription concert of the Toronto Symphony Orchestra, April 15, and the presentation of one large choral work (not yet chosen) at Massey Hall, April 30. All performances will be conducted by Sir Ernest MacMillan, the choir's permanent conductor.

The time has now come, the choir's board of directors believe, when to keep its place as the top choral group on this continent, the Mendelssohn Choir must again widen its program and appear outside Toronto. The return of many singers from the services has enabled Sir Ernest to build a choir superior to that of some seasons past.

• •

Hart House Revival with "Saint Joan"

By JOHN PAUL

A NEW Golden Age began for Toronto's Hart House theatre this week with the production of Shaw's "Saint Joan", the first after a lapse of nine seasons. Five days before the opening the house for the entire week was sold out. As his first effort, new director Robert Gill achieved something quite as good as anything we have seen on the boards of this famed little theatre now in its third decade.

Mr. Gill had coached his all-student cast of 35 (25 with speaking parts) to do things for Shaw's personages that the playwright himself has sometimes made difficult. Too often for workable theatre Shaw's characters are primarily symbols confronting one another and joining issue; too many of his situations artificial. Charmion King as Joan especially gave an edge to the expression of the conflict and invested the role with an emotion in the best tradition of Sybil Thorndike. But Mr. Gill had to carefully "finish" other characters too, since any one could have destroyed the unity, the pace or the emphasis in his interpretation; and only two or three lapses marred. Particularly skilful was the Inquisitor (John Walker), who sidestepped the dreary artificialities in the trial scene's long speech and gave a reading designed to reach his listeners' hearts, instead of just their intelligence à la Mr. Shaw. The English soldier from hell (Blair Seaborn) was refreshing comedy that still fitted the serious implications of the epilogue.

However, the opening scene, in which the blustering Baudricourt (Alec Dixon) berates his steward, was an unfortunate piece of excessive business and overly-boisterous declamation. Besides being below the general level it handicapped the entrance and introductory lines of

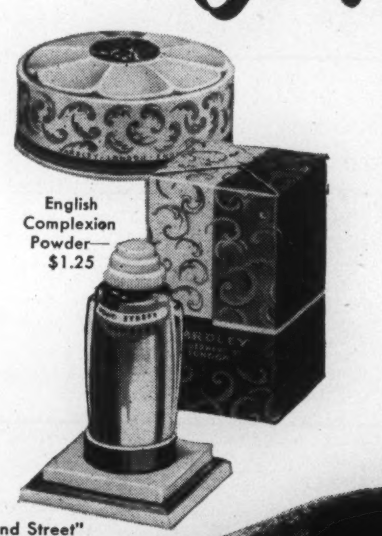
Angna Enters, painter, author and scenario-writer, in her unique "one woman theatre" at Women's Musical Club, Eaton Aud., 2:30 p.m., Feb. 7.

O.R.M.T.A. (Toronto Branch)
Presents
THE PIRANI TRIO
At the Concert Hall
TORONTO CONSERVATORY OF MUSIC
Saturday, February 8th, 8.15 p.m.
Tickets $1 (no tax) at Heintzman's

MALCUZYNSKI
All Chopin Programme

MALCUZYNSKI
PIANIST
"Chopin's Most Authentic Interpreter"
MASSEY HALL Mon., Feb 3 8:30 p.m.
SEATS NOW
$1.20, $1.80, $2.40, $3.00 (Incl. Tax)
Impresario: Can. Concerts & Artists

MAPLE LEAF GARDENS
MONDAY, FEBRUARY 24th—8.15 P.M.
ALEC TEMPLETON
Pianist-Composer
EZIO PINZA BASSO
METROPOLITAN OPERA ARTISTS ENSEMBLE
Scenes from Opera in Costume
Jarmila NOVOTNA Soprano ★ Herta GLAZ Contralto ★ Raoul JOBIN Tenor ★ Martial SINGHER Baritone
BUFFALO PHILHARMONIC ORCHESTRA
WILLIAM STEINBERG, Conductor.
Tickets: $1.00 - $1.50 - $2.00 - $3.00 (No Tax)
PROCEEDS TO ALBERT COLLEGE
MAIL ORDER FORM — NO TELEPHONE ORDERS ACCEPTED
ALEC TEMPLETON CONCERT — Mon., Feb. 24th, 1947
MAPLE LEAF GARDENS Carlton and Church Sts. Toronto
Enclosed is cheque or money order payable to Maple Leaf Gardens for $ .... for the following reserved seats:
.... at $1.00 .... at $1.50 .... at $2.00 .... at $3.00
NAME ....
ADDRESS .... PHONE ....
Enclose self-addressed, stamped envelope with remittance.

BY APPOINTMENT PERFUMERS TO H. M. QUEEN MARY YARDLEY, LONDON
Confident You . . .

English Complexion Powder—$1.25
"Bond Street" Perfume—$2.20 to $7.50
. . . knowing that with Yardley's "Bond Street" you share with England's loveliest women the spell of a proud and regal perfume . . . knowing that "Bond Street" possesses a brilliance that's music to the head and heart . . . this same great perfume is in your exquisitely protecting English Complexion Powder.

"BOND STREET" BY
Yardley
OF LONDON
THE "BOND STREET" SERIES ALSO INCLUDES
TOILET WATER AND BATH DUSTING POWDER
131-47

Joan the maid. We think the audience could have been informed and its attention gained with a less strenuous demonstration. But small criticism indeed is this of a few minutes in a three hour show.

Lighting, sets (by Gill) and costumes (by Patricia Card) showed imagination and convinced the audience that H.H. theatre's long-renowned technical capacities are also elements of its new period.

SELLS THREE ARTICLES TO TORONTO PAPER BEFORE FINISHING COURSE
"A Toronto paper accepted two articles of mine when I had only completed my third assignment of the Newspaper Institute Course. Although to date I have only finished my fifth story writing assignment, I have already sold a third article and my first fiction story is in the mail. A few months ago it would have all seemed inconceivable. N.I.A. has made it a reality." — Pearl B. MacDougall, 120 Hay Ave., Mimico, Ontario.

Why Can't You Write?

It's much simpler than you think!

SO MANY people with the "germ" of writing in them simply can't get started. They suffer from inertia. Or they set up imaginary barriers to taking the first step.

Many are convinced the field is confined to persons gifted with a genius for writing.

Few realize that the great bulk of commercial writing is done by so-called "unknowns."

Not only do these thousands of men and women produce most of the fiction published, but countless articles on business, homemaking, hobbies, fashions, sports, local, club and church activities as well.

Such material is in constant demand. Every week thousands of cheques for $25, $50 and $100 go out to writers whose latent ability was perhaps no greater than yours.

The Practical Method

Newspaper work demonstrates that the way to learn to write is by writing! Newspaper copy desk editors waste no time on theories or ancient classics. The story is the thing. Every copy "cub" goes through the course of practical criticism — a training that turns out more successful authors than any other experience.

That is why Newspaper Institute of America bases its writing instruction on the Copy Desk Method. It starts and keeps you writing in your own home, on your own time. And upon the very same kind of actual assignments given daily to metropolitan reporters. Thus you learn by doing, not by studying the individual styles of model authors.

Each week your work is analyzed constructively by practical writers. Gradually they help to clarify your own distinctive style. Writing soon becomes easy, absorbing. Profitable, too, as you gain the "professional" touch that gets your material accepted by editors. Above all, you can see constant progress week by week as your faults are corrected and your writing ability grows.

Have You Natural Ability?

Our Writing Aptitude Test will reveal whether or not you have natural talent for writing. It will analyze your powers of observation, your imagination and dramatic instinct. You'll enjoy taking this test. There is no cost or obligation. Simply mail the coupon below, today. Newspaper Institute of America, One Park Avenue, New York 16, N.Y., U.S.A. (Founded 1925)

NOTICE TO CANADIANS
Newspaper Institute's operations in Canada have been approved by the Foreign Exchange Control Board. To facilitate all financial transactions, a special permit has been assigned to their account with The Canadian Bank of Commerce, Montreal.

Free Newspaper Institute of America
One Park Ave.,
New York 16, N.Y., U.S.A.
Send me, without cost or obligation, your *Writing Aptitude Test* and further information about writing for profit as promised in Saturday Night, Feb. 1.

Mr.
Mrs. ________________
Miss
Address ________________

(All correspondence confidential. No salesman will call on you.) 98-B-597

THE FILM PARADE

Hollywood Cameras Are Probably the Smartest in the World

By MARY LOWREY ROSS

THERE doesn't seem much doubt that the camera is the smartest thing in Hollywood, and that Hollywood cameras are the smartest in the world. For the camera has not only created a race of people more beautiful than any creatures on this earth, but it contrives to illustrate their lives in ways far more resourceful and imaginative than the text that accompanies the pictures. The industry never seems to feel it necessary to put much strain on the inventiveness of its authors; but it never tires of devising new tricks and techniques for its cameras, which respond superbly.

The notion of having the camera substitute for the hero isn't an entirely new one. It was used as far back as the silent days when, in "The Last Laugh" the camera got drunk instead of Emil Jannings. Buildings rocked and swayed and everything swam in an intoxicating mist while hero Jannings stayed out of sight. He was back in the next sequence, however, and the camera reverted to objectivity. The idea of using the camera in a subjective role has often been employed since that time, and now in Robert Montgomery's experimental "Lady in the Lake" it substitutes for the hero almost completely. As Phillip Marlowe, Raymond Chandler's indestructible private detective, it prowls, deduces, engages in fist-fights and chases, and sweeps the heroine (Audrey Totter) right off her feet. The ostensible hero, Robert Montgomery, is shown only in the introduction. After that he is merely a reflection in the mirror, a voice accompanying the action of the camera, or a hand reaching for a cigarette.

Tricks of the Trade

It's fascinating to watch a picture of this kind, in much the same way I imagine that it would be fascinating to play a game of chess with a calculating machine. You could get a better game with a human opponent, and you would probably have had a better film, all told, if Robert Montgomery, an exceptionally intelligent and personable actor, had actually appeared instead of allowing the camera to function for him. But in either case you would miss a remarkable display in sheer technical virtuosity. On this score "Lady in the Lake" is undoubtedly a brilliant film, and certainly worth doing, unless you argue as some screen purists do, that the best trick of the movies lies in keeping its best tricks out of sight.

Anyway it is a comfort to think that technically at least Hollywood can afford to be as adventurous as it likes. In this department there are no prejudices to meet and no censors to be consulted. The screen can experiment and devise to its heart's content; for no one, not even the critics who complain most loudly about the slick Hollywood product, would by this time be satisfied with films that were technically amateurish and inept. On its surface almost any good Hollywood film is a brilliant achievement. If only the screen authors were left as free to experiment and originate as the camera men, directors, cutters, designers and even studio hair-dressers, Hollywood films as a whole might almost merit their own publicity.

"Nobody Lives Forever," is Warner Brothers' latest cops-and-robbers release. This is about a very slick crook (John Garfield) just released from the U.S. Army. He heads straight for New York where he discovers that his former sweetheart (Faye Emerson Roosevelt) has transferred not only her affections but his $50,000 bankroll to another admirer. Disillusioned but with his recovered bankroll he heads for California. There he is soon involved with a group of his old associates who are planning the plunder of a $2 million widow, living in one of the luxury hotels. He promptly moves into the hotel and ingratiates himself with the widow, who is Geraldine Fitzgerald and as trusting as she is beautiful. He falls in love in no time at all and when she takes him out for a day's outing at the old Capistrano Mission his combined downfall and regeneration are complete. So he plans to take himself out of her life, an idea which his business associates naturally find outrageous. There is a kidnapping, a chase and a rescue; and the lovers are happily united at last, on a dark wharf in the presence of at least two of the corpses.

Everything is wrong with this story; and everything is scrupulously right about all its details—the shifty confidence men (George Coulouris, Walter Brennan, George Tobias), the bars, the seedy hamburg stands, the dank, dripping wharfs. There are even moments when the film almost persuades you to believe it, against your complete indifference about what happens to any of the characters. It's just another of those pictures in which fanatical devotion to style and detail, and profound prejudice against any of the realities of human behavior, are almost equally balanced.

Malcuzynski, in an all-Chopin program at Massey Hall, Mon., Feb. 3.

SWIFT REVIEW

TILL THE CLOUDS ROLL BY. A rather overwhelming tribute to the late Jerome Kern—and also to the M.G.M. studios—in the form of the season's most extravagant musical extravaganza.

BLUE SKIES. Fred Astaire and Bing Crosby and the best of the Irving Berlin melodies. The stars devote themselves to their specialties, giving the plot as little attention as it deserves.

TWO YEARS BEFORE THE MAST. Screen version of the Dana classic. A considerable departure from the original, but a fine rousing sea-story just the same, thanks largely to the performance of Howard da Sylva.

UNDERCURRENT. Robert Taylor and Katharine Hepburn in a mystery melodrama that goes off in all directions, to no particular purpose.

OCCASION FOR ELEGANCE

Pretty as a pink tea, this soft rayon crepe uses harem drape and coin fringe to emphasize its stem-slim silhouette.

ST. REGIS ROOM, THIRD FLOOR

Simpson's

THE BOOKSHELF

CONDUCTED BY HERBERT McMANUS

From Fighting Troops to Brass Hats It Takes All Kinds to Run a War

HOME-MADE BANNERS, by Ralph Allen. (Longmans, Green, $3.00.)

MAPLE LEAF UP, MAPLE LEAF DOWN, by Peter Simonds. (Saunders, $4.00.)

MISSING FROM THE RECORD, by Colonel Dick Malone, O.B.E. (Collins, $3.00.)

HOW SOON after a war should the participants attempt to commit their experiences or feeling to paper? The general view is that there should be a lapse of several years but, surprisingly enough, the literary output of 1919-20 reveals an opposite condition. It may be that in the years to come more of the literature of the conflict will appear but those Canadians who have something to say and who have already said it, are not outside a sound tradition.

But what about the timing from the point of view of the customers? Throughout Canada uniforms have disappeared from the streets, the great organizations which were the Navy and Army and Air Force have folded and vanished. The civilians go busily about their daily affairs, their talk and their thoughts are civilian; the impression created is that nothing has changed and, apart from a few greyer hairs, those six years did not exist. Only in the pubs or when two or three are gathered together does the voice of the others rise; then it loses the muted and slightly bewildered air of everyday life and goes back to the clear sharing of experience. These others speak the same language and idiom and the understanding is sharp and clear and immediate. There is no desire to be set apart; it is just easier that way. For the overseas Canadians were, by and large, a cohesive lot irrespective of the distances separating their places of origin; they were primarily Canadians and proud of it, proud of their Canada flashes, their arms and equipment and military tradition and proud of their responsibilities as ambassadors abroad. To some visiting Canadian civilians this attitude touched a bit on arrogance; which it was not. For beyond all the exterior trappings of Service life, these Canadians had learned to think in a manner new and yet more satisfyingly real than had ever been their experience before. But behind all this external confidence, although never admitted to outsiders, there lurked a menacing, completely un-understood, and disgusting figure. It was the Zombie.

All Tidied Up Now?

Has Canada tucked away and safely forgotten that figure, with all its implications of political dynamite, in the welter of the postwar world? Does anyone care about the Zombies, or who was a Zombie, and after all does it really matter? If it doesn't, it will be unfortunate for Mr. Allen, for it is upon the Zombie theme that he has pieced together the best Canadian war book, or for that matter, the best Canadian book, to appear in some time. If Canada chooses to forget completely one of the more shameful episodes of her national career, "Home-Made Banners" will be unwelcome. And this would be unfortunate on an almost national scale, for the book is so completely and non-artificially Canadian. Here at last a Canadian writer has produced a work that breathes Canadian authenticity; even the inevitable local references do not offend. Allen's people, particularly his soldiers, behave and misbehave, grouse, swear, drink, think and worry, not only like real people but like Canadian people. And despite his pre-occupation with the Zombie pattern, the book is important for that reason; real thoughts of real people are put down with sympathy and understanding and insight clarified by that awful perception which danger and the pervading imminence of death bring.

Mike Tully, the Canadian soldier, went through all these things. In the early days, married and with a child, he was beset with the grinding concern as to whether or not he should "do something about it". And when decision came to him he suddenly found himself, in his first training camp, rubbing shoulders with other beings, their bodies wrapped in the clothing of a soldier, who had found an answer completely opposite in every respect to his own. Mike never understood that answer throughout his Army life, right up to the latter days when sixteen thousand of the thousands more were shipped overseas like cattle to fill Canada's overseas ranks and prevent the collapse of her ambitious military program. And when his own idolized kid-brother turned out to be one and even came to Mike's own unit, he had just about had it—particularly since the fighting wasn't quite over. Then the end, and the endless hanging about waiting for repat. And then home to find, as he had for some time suspected, that there was another man. Mike took the full treatment.

Learning The Word

It is perhaps inevitable that a book so well written in general and at times really rising to prose of the first order, should at the same time be uneven in feeling and treatment. Until Mike joins the Army his life as a Western youth who moves to Toronto appears as inconsequential as perhaps it was; once in uniform, despite the drabness and monotony of every-day life he begins to grow. He encounters the "word" and learns the soldier's secret that however indispensable to barrack conversation, it does not inevitably pursue the individual into politer society. Again, in England, Mike misses completely the spirit of the English people, despite an interpolated and over-sentimental episode of entertainment in a drab English home. His friends Nolan and Kennebec had possibly more extensive though unrecorded experiences but the English chapter is as unreal as the one sentence devoted to the unusually exemplary conduct of Mike himself. And so to the build up and training for D-day and then the day itself. Ralph Allen was there with the Canadian 8th Brigade and his account of the brief life and death of Bren gunner Rinowski is as potent a piece of writing, in feeling and description, as any ever achieved by any war writer. It recalls, in all its dry-mouthed, impossible tension, that American classic of the war before, Thomas Boyd's "Through the Wheat."

But for Mike the campaign goes on and always those living dead back in the safety of Canada rise to plague him. However, his creator, Allen, always examines instead of blindly denouncing, and displays all the candid objectivity of the good reporter. "The anger of the Army fell into two shades. One shade was of a deep and even tone, a matured, settled and unvarying anger; this was the Army's anger for the politicians who the Army felt had sold it out in order to sustain themselves in office. The other shade was its anger against the Zombies; this was more uneven, more like a flame blown by a changing wind. For although nearly everyone despised the Zombies in some degree, the despisal of some was tempered by the reluctant envy which the victim of a confidence trick vouchsafes the man who has tricked him. And in their hearts, whether they felt that they had been defrauded by someone else or had only defrauded themselves, the image of the Zombies still mocked and gloated over them like some baleful smirking shadow dancing on a grave."

All-Canadian Fabric

That is the way it was. What is it like now and what will it be like? Says Allen, ". . . .you also see that the banners which looked so new and vivid when you started out are frayed and fading. And that's where the danger is. If you turn your faces away from those banners before you find others to replace them, you will pay for it in bitterness and despair for the rest of your lives." But one thing is certain. The home-made banner which Allen has woven out of sound Canadian fabric and emblazoned with the life-color of the Canadians overseas should symbolize something of supreme importance to all people of this land. And whatever additional literature of the events of 1939-45 may come from the pens of other Canadians, this book is assured of a position of first rank.

The Over-All Picture

In a quieter key and far removed from the trials and tribulations of the simple soldat is another addition to the record. Peter Simonds has written a workmanlike and comprehensive historical report of the achievements of the Canadian Armies abroad. His basic approach is factual and chronological and his success is that he has taken the whole, and sometimes confused, picture of England, Italy and the continent and presented it with continuity and commonsense. It is recommended reading for anyone who experiences difficulty (and who doesn't) in making the pieces fit together as the somewhat stumbling footsteps of Canadian military policy moved across the face of Europe. Not-too elaborate maps, inserted in the text, make the overall going easier and the style of writing is crisp and unadorned. Names of individual commanders of fighting units and formations are included only where relevant to the narrative and do not halt the flow of action. It may be that the author's attitude is slightly pontifical but the claim that the book is a permanent record to be consulted (in the absence of the official history) is well merited.

But Canadian soldiers, to their everlasting credit, are rarely content with just putting down things as they happened or as they saw them; they must have their opinions and interpretations as well. Peter Simonds is no exception and the higher realms of politics and strategy have no terrors for him. His conclusions are broadly based but not sensational; he does not hesitate to pass judgment on higher commanders, but this judgment is largely technical and ignores the clashing personalities too often involved. For example, he states that McNaughton's devotion to detailed and inflexible exactness, carried through logically to his opposition to the splitting of the Canadian Army, led directly to his downfall. But more enlivening to the book than these high level expeditions are the author's personal experiences; these illuminate and vivify the march of events and more often than not are earthy and amusing in the fashion of soldiers.

Up In The Air A Bit

It is unfortunate that certain factual errors have been allowed to creep in. In describing the German air sweep of New Year's Day, 1945, it is stated that the Germans put up "about a thousand planes" and destroyed nearly 500 Allied planes on the ground. The actual figures, both as to the German capacity and achievement, were very much smaller. And it may be that in the author's assessment of generalship, personal relationship had a bearing, possibly unconsciously; Peter Simonds is a brother of Lieutenant-General Guy Granville Simonds, Commander of the Canadian Second Corps on the continent. While many generals are not particularly loved, most Canadians will agree that Guy Simonds was a very capable general; it isn't necessary to be told so a number of times. But minor defects are inescapable in a work of this scope; "Maple Leaf Up, Maple Leaf Down" (which gets its name from the route markings to and from First Canadian Army) is a readable and creditable achievement. It should enjoy a wide circulation throughout Canada.

And while there is nothing in Peter Simonds' book likely to cause any blinding repercussions in high circles, the method by which he arrived at his opinions is interesting, and possibly a valuable hint to other war writers who may be still concerned with the Official Secrets Act. He reports: "As a signals officer. . . I could not help but gather some inside knowledge that is now locked forever in a few minds and possibly in Top Secret files at the War Office in Whitehall and the War Department at Washington. Such things must necessarily remain locked in my mind also for moral, if not legal, reasons; but I reserve the right as a free man back in civilian life to allow them to influence my opinions and judgment in interpreting the events I have set down in these pages."

Brass And Politics

And so progressively, from the low justice, through the medium, to the high. Those who associate with the great must be prepared to pay the penalty for such reflected glory and there has been too much tendency to dismiss Colonel Malone's "Missing From the Record" as a mere "Me and Monty". Its other aspect, that of alleged revelations of behind the scenes jockeying and politics in khaki also falls somewhat flat, despite the bolstering by publication of excerpts in fiction magazines in both Canada and the United States and consequent further publicity in the daily press. But no heads rolled in the sand and the military hierarchy, both in and out of the Service, utilized by and large the exceedingly successful defence strategy of saying nowt. That there was much of petty jealousy and meanness, of smiling in the face with the dagger behind the back in the higher levels of the Canadian Army, no one who knows anything at all can doubt for a moment. And it is quite possible that those who put themselves first and fought a bitter war on paper, in offices and at cocktail parties did hamper the over-all efficiency of the Army. Whether or not the full story of these machinations, the doings of small men in big places, will ever be told is doubtful, or whether anyone in the future will greatly care. But it did seem pretty grim at the time. For the present, Malone's book is no passionate outcry against these abuses; a much more anguished and effective job came from Dr. Herbert Bruce in the 1914 war in his "Politics and the C.A.M.C."

But Malone has written a good and interesting book and many Canadians should, and will, read it. The way to do this is to put aside the annoyance caused by the perpetual personal pronoun and the lack of modesty in descriptions of the author's own doings, and concentrate on the narrative. Like all war books of a general nature, this one is a blend of personal experience together with excursions into the speculative realm of the why. Malone goes over all the ground again in connection with the resignation of Ralston and the volte-face of McNaughton on the conscription issue and records the bitterness of the troops overseas at the news stories in the European press at this spectacle of public washing of very soiled political linen. The high spot of the book, of course, is the tale of home life with Montgomery and like anything else connected with that colorful figure cannot help being interesting. Malone had a good war and he writes about it with pleasurable conviction.

And there, ladies and gentlemen who took the King's shilling and your cousins and your aunts, you have three excellent volumes for the nucleus of your war library. You will, of course, already own Ross Munro's "Gauntlet to Overlord" and some of you may have been lucky enough to get Charlie Stacey's three twenty-five cent books issued by the King's Printer as an aperitif to his forthcoming official work. Good war or bad, it still makes good reading.

ORDER YOUR BOOKS FROM
BURNILL'S BOOKSHOP
100 Yonge Street, Toronto 1
MAIL ORDERS POSTPAID

MAPLE LEAF UP

MAPLE LEAF DOWN

A comprehensive review of Canadians in action from Dieppe to V-E Day.

A "book for all time"—to be welcomed by the ex-serviceman and the general public alike.

$4.00

At Your Bookstore

S. J. Reginald Saunders
84-86 Wellington St. W. Toronto 1.

JOAN RIGBY

DRESSES—TWEEDS—SWEATERS

54 BLOOR STREET WEST

TORONTO CANADA

MIDWAY 4969

Manuscripts Wanted

Authors' Agents with excellent international affiliations wish to secure scripts of all types for placing at best possible prices with Canadian, American and European book and magazine publishers. Author's rights fully protected. Detailed criticism on request. No reading fees. We invite correspondence.

HEDGES, SOUTHAM & de MERIAN

Authors' Representatives

DOMINION SQUARE BLDG.
MONTREAL, P.Q.

WORLD OF WOMEN

New York, a Bright Jewel of Many Facets, Offers the Old and New

By BERNICE COFFEY

New York.

ON FORTY-FIFTH Street near Broadway there is a shop where sleep is for sale. Various gadgets designed to despatch one off to the Land of Nod in plushy comfort are to be found there . . . . electrically heated blankets, special pillows for the allergic, silk and lace sheets. There, too, the insomniac may buy a neatly packaged "Slumber Kit" which contains black pads to wear over the eyes to keep out the light; ear stoppers to keep out sound; a jar of herbal leaves with which to make a sleep-wooing brew; plus a slumber book to be read, we presume, while the herbal tea is getting in its work. Farther down the street one comes to another shop, the "Bar Mart," where every conceivable gadget known to man for the embellishment of plain and fancy drinking is to be found by anyone interested in anything but the quiet life. A neat commentary on the New York way of life for anyone who wants to make something of it.

One of the never-failing charms of New York for the visitor is the thrill of discovery of places such as Gramercy Park Square, a miniature park tucked away down in the East Twenties. The high spacious houses of another day stand shoulder-to-shoulder around its perimeter. Gramercy Square, a well-preserved period piece, is serene and very beautiful at the end of the day when the dying sun's rosy glow is reflected from windows of nearby skyscrapers on the snow behind the little park's iron fence.

Our visit to the Square brought us to the house of Dr. and Mrs. Max Ascoli. They are interested in a project called Handicraft Development Inc., the name for a group of people who have banded together to bring Italian handicrafts to this continent, in order to help the "little people" of that country. Headquarters of the organization, which will serve as "unpaid broker," will be called the House of Italian Handicrafts when it opens in March in a remodelled house close to the United Nations headquarters. In this centre Italian linens, lingerie, glassware, leather goods, pottery, textiles, wrought iron, will be available to the continent's buyers. Listed on the advisory committee are top-of-the-bottle names such as the Hon. William Phillips, former U.S. Ambassador to Italy, Nelson A. Rockefeller, Mrs. Otto Kahn, Ruth Draper.

Sunday evening, "open house," good conversation, and a host and hostess who are interesting personalities are the ingredients of an excellent party whether it's held in Medicine Hat or New York. Mr. and Mrs. G. Lynn Sumner's party would qualify on all these counts. Mrs. Sumner who, as Mary Brooks Picken, is widely known for her knowledge of fashion and the needle arts, subjects on which she has written many books, has the largest privately owned fashion library in the world.

Mr. Sumner, a well-known advertising man and an accomplished raconteur is an authority on Lincoln as well as being a very modest man, for it was only indirectly that we learned he is the author of the book "Meet Abraham Lincoln," which will appear on the bookstands soon.

Pulitzer's House

Mr. and Mrs. Sumner live in an apartment in a house in the Fifties just off Fifth Avenue. Formerly the residence of Joseph Pulitzer, publisher of the New York *World*, it was the last house designed by Stanford White, the architect whose murder in highly dramatic circumstances, was the sensation of 1906. The house has forty-six rooms which have been converted into seventeen apartments, walls are two feet thick, ceilings twenty feet high. Today a liveried doorman presides in the two-story panelled entrance hall, where a wide staircase sweeps past what used to be an organ loft. The Sumner's gracious apartment was Mr. Pulitzer's quarters when he occupied the house.

Of course it is impossible to savor in an hour the full significance of the art and wisdom of thousands of years—even if the feet are up to it. Nevertheless, even a jet-propelled trip through the Costume Institute's "Five Thousand Years of Fashion," a permanent exhibit which is to be found off in a new wing of the Metropolitan Museum of Art, is apt to be rewarding. It is here that New York designers spend days at the beginning of each new fashion season looking for inspiration.

They find it in objects such as a parure of varicolored gold and amethysts which is said to have belonged to a member of the Bonaparte family. Or a crown of gold set with pearls, uncut rubies and cats' eyes, which was worn by a Chinese empress of the T'ang dynasty. Contrasting with these there's a small yellowed book published in London in 1829, its title "Instructions on Needlework and Knitting." Apparently the home sewer did not have patterns to guide her in those days, but the little book has very clear directions plus exquisitely sewn garments of white linen, ivory now, attached with a tape to a page at the beginning of each chapter.

Scores of costumes shown on figures tell the story of fashion up to the present day. In one group ladies and gentlemen in rich damask costumes are clustered around a harpsichord with three keyboards (all of them encased in glass by the Museum) made by Vincentius Sodi of Florence in 1779. But behind the scenes, where hats and shoes are stored in wooden cabinets, there is fresh delight. Some of the hats are uproariously funny; others are still beautiful. One dating from the Eighteenth Century is called the "Kiss-me-Quick" or blush bonnet. Of green net it has a scooped brim that is wired in sections so that it collapses over the face.

The large collection of shoes was equally interesting. Among these were many that had been worn by Mrs. Philip Lydig, a New York social leader, who was so proud of her beautiful back that she always sat in her box at the opera with her back to the audience. Her shoes have pointed toes and French heels, and are exquisitely embroidered and beaded. She always bought two dozen pairs of each style and they are shown in the collection complete with the original shoe-trees—all of which are made of violin wood.

Crown Room

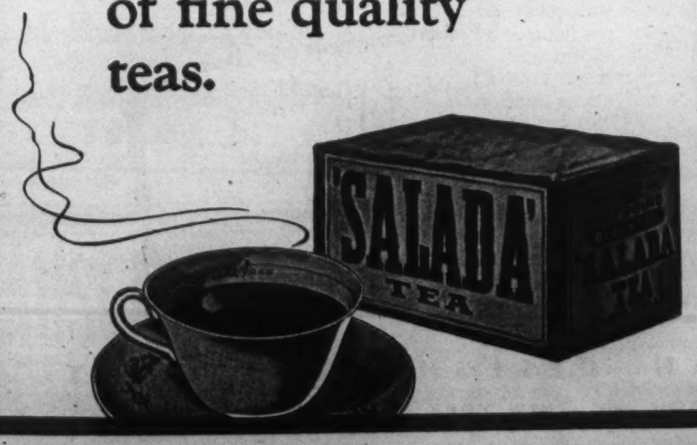
We suppose deep social significance is to be found in the fact that the Prince Matchabelli Crown Room which, in effect, is a shrine dedicated to perfume, faces the Fifth Avenue Presbyterian Church; indeed, the Crown Room's three ceiling-high windows have been dramatized to frame the view of the church's Gothic arches. Leaving the social significances to the deep thinkers, we can report that the thirty-by-sixty room planned by the noted interior designer, William Pahlmann, presents a sweep of Graustark green sparked by bold strokes of antique white, palace pink.

The design of the crown bottle of the Matchabelli perfumes, originally modelled after the coronet of the Prince Matchabelli crest, has been used by Mr. Pahlmann as the basic design for the three royal boxes which form a balcony.

At a cocktail party held in these stupendous surroundings designed to make every woman feel like the Queen of the May, we met Mrs. Norman Dahl. Mr. and Mrs. Dahl lived in Toronto for a number of years, and have a wide circle of Canadian friends. Mr. Dahl, who is manager and incidentally, presides over the magnificences of the Crown Room from an office that is distractingly beautiful, was absent in Florida.

Here too, we chatted with lovely Pat Sheard, a Canadian girl, who has reached the peak in the modelling profession as a Powers model. She is in great demand and is to be seen at all the fashion shows given by the city's most important designers. Married to the son of a well-known Toronto family who is studying in New York, Pat Sheard is as charming as she is attractive. And, for our money, is the answer to "Does Canada produce as beautiful girls as the United States?"

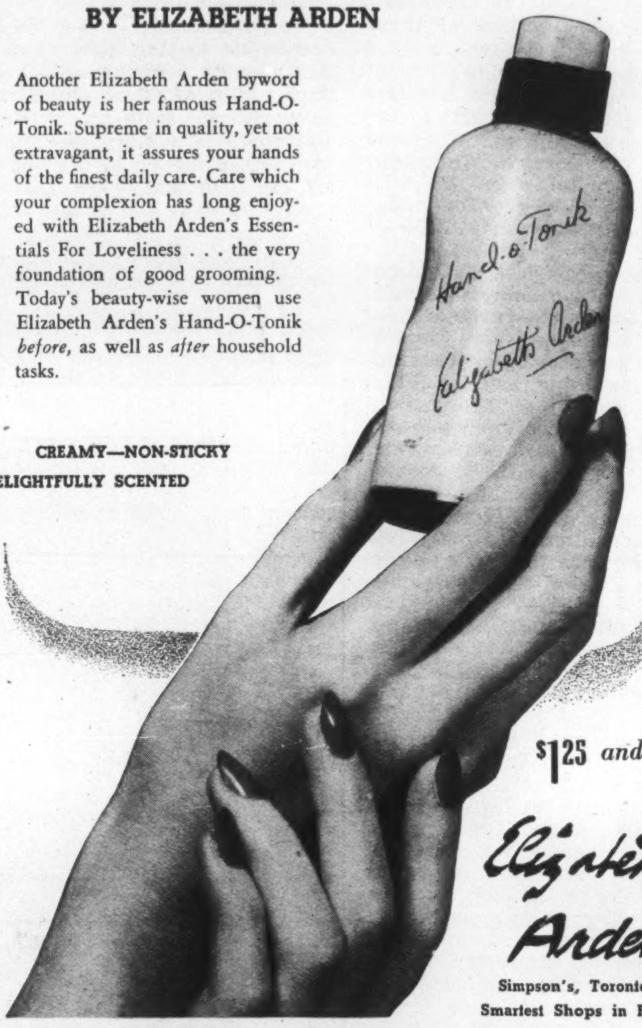
To-day
as in the past,
the 'Salada' label
is your guarantee
of a uniform blend
of fine quality
teas.



A Hand-full of Charm

BY ELIZABETH ARDEN

Another Elizabeth Arden byword of beauty is her famous Hand-O-Tonik. Supreme in quality, yet not extravagant, it assures your hands of the finest daily care. Care which your complexion has long enjoyed with Elizabeth Arden's Essentials For Loveliness . . . the very foundation of good grooming. Today's beauty-wise women use Elizabeth Arden's Hand-O-Tonik *before*, as well as *after* household tasks.

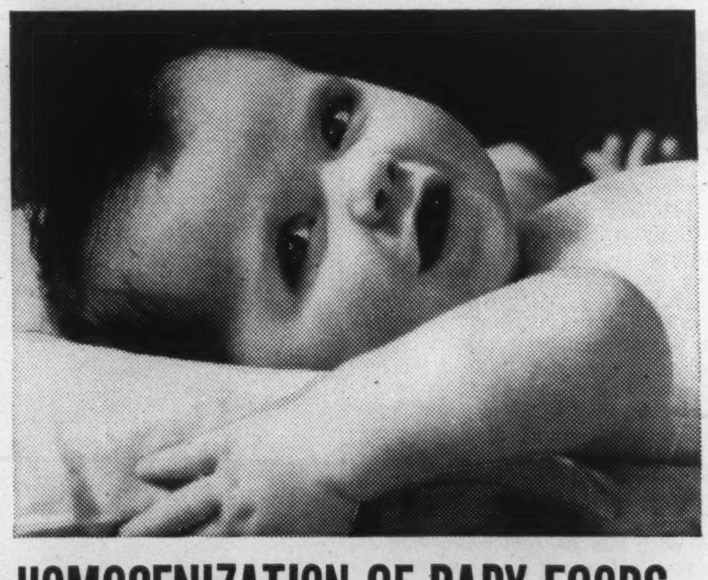


CREAMY—NON-STICKY
DELIGHTFULLY SCENTED

$1.25 and $2.25

Elizabeth Arden

Simpson's, Toronto—and at Smartest Shops in Every Town



HOMOGENIZATION OF BABY FOODS
EXCLUSIVE LIBBY PROCESS

Ten Times Finer in Texture—Babies Can Get Extra Nourishment Out of Libby's

Libby's special Homogenization explodes the tiny food cells, makes Libby's Baby Foods at least ten times finer in texture than foods which are only strained. This releases the food value so that baby's digestive juices can readily mix with this nourishment.

With the work of digestion made extra easy, it stands to reason that baby can get more of the health-building vitamins and minerals out of Libby's foods.

For example, actual feeding tests confirm studies on the extra iron nourishment babies can get out of Libby's Homogenized Spinach—*twice* as much as from the same spinach that is only strained.

FREE BOOKLET on Infant Feeding

Libby's would like to send you their free booklet "Healthful Feeding for Your Baby". Send your name and address to Libby's, Chatham, Ontario, and a copy will be forwarded to you.

When shopping for baby, don't forget Libby's Homogenized Evaporated Milk and Libby's "Gentle Press" Tomato Juice.

ONLY Libby's BABY FOODS ARE BOTH STRAINED AND HOMOGENIZED

BF-3-47

CONCERNING FOOD

How to Keep Midnight Foragers in a Contented State of Mind

By JANET MARCH

PERHAPS you are one of those strong-minded types who, even if they feel they are starving when at last they finish the latest detective story, go right to bed without a foraging trip to the kitchen. Webster's informs us that a snack is a "slight hasty repast" but often there is nothing slight or hasty about those pleasant meals eaten in solitude at the kitchen table.

First of all, get a book or a magazine and prop it up firmly; the milk bottle is good for this purpose. Then you must decide whether you are going to do any cooking or just rummage for something raw and enjoyable. People who don't ordinarily cook much have been known to stir up wonderful dishes, rarebits and omelets or a nice dish of lobster Newburg, but personally I get enough cooking in the course of a day without exercising my art late at night. First on the lists of desirables is a chicken sandwich made with thick very fresh bread. This fills more satisfactorily than anything else.

No Slices

Unless you want to annoy the cook, whoever she may be, don't cut thick slices off the cold roast. It is probably intended for Junior's lunch and anyway, unlike the chicken, coupons were given for it. Cold chicken in a refrigerator is always fair game for a forager, but the roast isn't. Try brown bread with a very thick layer of cream cheese and a little dash of raspberry jam on top, and if there are some of those delicious, though expensive, fresh dates they are fine to finish up with. Failing these a handful of raisins are nice to gnaw and are full of iron too. At the moment they are also very difficult to buy where I shop, so don't eat too many.

You may be one of those lucky persons who can drink coffee without lying awake, and also be ready to face the bother of getting the stuff ready. This is too much for me and anyway I like milk. Ice cold usually or, on a very cold night, burning hot. Cocoa is all right as a substitute. Just stir a spoonful of cocoa with one of sugar and a little cream. Heat a cupful of milk and when it is on the boiling point stir it into the cocoa paste mixture. It's deliciously hot and sweet, if that's what you like. Some people like beer late at night while others swear that it keeps them awake.

If you feel the need of something sweet, oatcake, which is very hard to buy and perfectly awful to make, (mine always crumbles), is good with honey. If you are not a lover of sweets peanut butter on brown bread with lots of cold milk to unstick yourself tastes good; or, better still, follow your nose to the Camembert cheese and eat it on bread or biscuits.

Midnight Snack

Those plain round salted biscuits, made into sandwiches with more butter than you should have as a filling are good; or try one of the boxed cereals, preferably that crispy one which crackles, with lots of brown sugar and all the cream you can find. A good midnight standby is marmalade on toast, if you have the energy or an automatic toaster, otherwise bread serves all right. The only thing is that good Seville marmalade has been hard to get lately so perhaps you had better pull yourself together and make some, if you have enough sugar.

If you don't own one and can't borrow a cutter and your time is precious perhaps you had better put the fruit through the meat mincer. It doesn't make as attractive looking marmalade but I believe it tastes just the same as the sort made by the laborious scrape-out-and-chop-up method.

We have a cutter in our family, a murderous looking tool which has been handed down for some generations. Most of us who have used it have also got scars on our fingers, and there is a story of a relation who picked the tip of her finger up off the floor and sewed it back on again. Anyway the danger relieves the monotony, and here's the old family recipe which should make you somewhere between eleven and thirteen quarts.

At first glance, the amount of sugar the recipe calls for may seem rather staggering, but the yield in marmalade is a large one — large enough, we find in our family, to furnish our annual supply of marmalade. The recipe may be halved, if a smaller amount is sufficient.

Bitter Orange Marmalade

12 bitter oranges (pick ones of a good size)
4 sweet oranges
4 lemons
16 pounds of sugar

This amount of fruit should weigh about six to six and a half pounds and you allow three pints of water for every pound of fruit. First of all wash the oranges and lemons, and for some reason bitter oranges always seem to have very dirty skins and need a nailbrush to be got really clean. Cut the fruit in half and take your oldest and so sharpest edged kitchen tea spoon and scrape out all the inside, going as near to the rind as possible. When you have done four or five cut up the scraped out bits in very small pieces with your sharpest paring knife. Save the seeds and put them in a bowl.

When you have all the insides of the fruit scraped out and cut up, then cut the skins on the cutter and, if you haven't a cutter but have patience and a sharp knife, cut the skins in slivers. Put the fruit and the cut skins in a crock or in the preserving kettle with the water—about nine and a half quarts—and leave it soaking covered overnight. Pour a pint of boiling water on the seeds and let them stand overnight by which time they will be encased in a thick jelly. Strain and rub through the strainer as much of the jelly as you can and add to the fruit.

Put the mixture on to boil and boil for about three hours. Then add the sugar and, after it comes back to the boil again, boil gently for about another half hour testing in a saucer to see if it will jell. Then bottle. This is a lot of work but it's worth it.

PLACID CANADA

TEMPEST of anger, hurricane of hate
Sweeps into dust the pretty toys of man,
Temples and mills and panoply of states
Banners and bugles and the pride of clan,
All the rich merchandise of silk or steel
Which dressed the mansion or laid down the keel.

But I must have my cottage dressed anew
In pleasant color, while my roses bloom,
My violets bend sweetly in the dew,
While pleasant friends sit in my living room
To bid four spades, or joy themselves in song
Forgetful of the storm, which roars along.

J. E. M.

Copyright by Dorothy Gray (Canada) Ltd.

JMW

what with one thing and another, my face had certainly gone to rack and ruin. So glad you mentioned Cream Concentrate. The return of pre-thirty flattery does my ego good, especially the routi

● DOROTHY GRAY Cream Concentrate contains Genocel,* an active hormone ingredient, which helps hold back the effect of years on the skin's appearance. This active hormone ingredient is present in young skin, but often lacking in the mature skin. A superbly rich emollient, Cream Concentrate is for the woman past thirty who wants to wage a private war against years. Dorothy Gray Cream Concentrate that works for your youthful look while you sleep, $5.00.

*Trade-mark

Cream Concentrate is known as Cellogen Cream in U.S.A.

Dorothy Gray AMERICAN DESIGN OF BEAUTY
TORONTO • NEW YORK • LONDON

THE OTHER PAGE

"Fine" By Definition

By MARY QUAYLE INNIS

MRS. PARKER did not run from the taxi to her front door only because she was trying to imitate her husband's casual manner. The children had written, he had just reminded her, that everything was fine. Why, she asked herself, feigning deliberation at the front steps, was that announcement not enough for her as it was enough for her husband?

And an instant later, "See, everything's fine," they were exclaiming. "We never fought at all, either. It must be you and daddy start the trouble around here because there never was any all the time you were gone."

This statement Mrs. Parker accepted, as she had accepted her rare holiday, with wonder and thankfulness. But wonder began to predominate even over thankfulness as she thought over the odd statement, "You and daddy start all the trouble."

For the first time Joan, Evan and Nancy had been adjudged old enough to be left for a few days without an older person in the house. The judgment had apparently been correct, for they were all well and the house even looked reasonably neat. ("We knew when you were coming.") They had divided the work among themselves and were so far from exhausted by it that they graciously continued with their self-assigned jobs while Mrs. Parker found her bearings after five days of unprecedented and unnerving freedom. On the very day after her return she said gaily.

"This is a dream not to have to wash the breakfast dishes. Who does wash them?"

The three children, lolling in holiday leisure in the sun porch, looked at one another.

"I do," Nancy said. Absurd pigtails stood out behind her ears and from her feet dangled moccasins as large as her older brother's.

"Well, it's very good of you, dear. I have them all stacked so everything's ready."

THEY looked at each other and their mother felt herself not only left out but silently disapproved.

"I never stack them," Nancy said calmly. "It's more work when they're stacked."

"More work! Why I always think the washing's half done when the dishes are rinsed and stacked—"

"Maybe you do. I don't like to see piles of dishes waiting. It seems like more."

Mrs. Parker waited for support from what she now recognized as a household council with authority comparable to her own. Evan grinned at her in a detached and friendly way while Joan kindly explained. Joan wore ballet slippers like cloth bags and had pinned all her hair on top of her head.

"Everybody does his work his own way and whenever he feels like doing it."

"Work is so much easier to do when you feel like it," Evan told her, as one might explain to a dim-witted child.

"You mean," she could hardly believe it, "that you don't wash dishes right after meals?"

"Not unless we want to or if we're going out. Nobody can go out—for a long time, that is—till his work's done.

"Then if you stay in, you can leave the breakfast dishes as long as you like?"

"Sure, if we don't need them." They all smiled brightly to show her how well this plan worked.

"And beds?" she asked weakly, sitting down on the wicker couch.

"Well, Joan and I make ours in the daytime," Nancy said, "but Evan folds his covers down and just gets in again the next night."

"It's far more sanitary, airs all day," Evan told her reaching for his Terror Tales an arm so long that it seemed to stretch as he extended it.

"I don't suppose we'll be able to do all the work after school begins," Joan offered amiably, "but you can have a nice rest till then. We found out we can clean up a lot when we see somebody coming up the walk and we *always* get enough dishes clean to eat a meal."

THAT evening, Mr. Parker having gone to a business dinner, Mrs. Parker sat alone in the sun porch. She herself had mixed the meat loaf, scraped the potatoes and made a custard while Nancy shelled peas, Evan set the table and Joan cooked the meal when she was not at the telephone. Each time she returned from the phone she had exclaimed: "Now mum go on away, I'm cook," and her mother, the peas or the meat rescued, had meekly retreated.

The division of labor was as complicated and as explicit as a logarithm table and Mrs. Parker, given no clue to its intricacies, listened bewildered to the peaceful functioning of her children's evening routine.

"Why Nancy Parker, you little goon, you did not! You were the one left this burned pie pan in the sink day before yesterday and haven't done a thing about it! You know leaving pans is against the rule."

"I left it to soak," Nancy explained smugly. "Mother leaves pans to soak."

"Well, it's a sloppy habit," Evan went on, his voice rising with irritation out of its newly developed baritone. "A sailor wouldn't leave pans soaking for days. It's a bad technique."

"Well, you're the only sailor around here, smarty-pants. I can soak pans if I want to. Hurry up and wash, can't you? If I'm going to dry, I want to get through so I can go over to Barbara's."

"You don't need to act so high-hat, Mr. Evan," Joan cut in hotly. "I found my new nail polish in your nasty old work shop and the bottle's half empty. I only used it once and you sneaked it when I was out."

"GEE, I only used a bit. It's better than lacquer for my ship model. I was going to take it right back."

"You thought I wouldn't know! Well, I would have, it's half gone and it's a darling shade and I think it was a simply stinking trick, so there!"

"For heaven's sake, wash!" Nancy yelled. "I want to get out of here."

"I suppose you want me to scour your filthy pan!" Evan roared, swooping from humility to a pinnacle of righteous fury. "I wouldn't touch it with a barge pole. You scour it yourself and get it good and clean before you go one step out of here. I'll examine it. Doesn't she have to, Joan?"

"Yes, she does, and what about my nail polish, tell me that?"

"Get out of the way then, and let me scour it," Nancy screeched. "Think you're so smart."

"Just wait till I get through with the dishes. I feel like washing them right now and then you can scour.—Hey, quit scratching!"

Mrs. Parker stood in the doorway.

"No fighting," she said. "No fighting all the time I was gone, you said. Just now I wasn't even in the room." Her voice shook. "Did you have to start again just because I'm in the house?"

"Mother!" Joan cried. "What do you mean?"

"What fighting?"

"We weren't fighting." They stared at her, flushed and still temperish, but with eyes wide in pure amazement. "What made you think we were fighting?" Evan went on mildly, quite without sarcasm.

His mother grasped the door frame and stared at them. "I'm not deaf," she said, trying for equal mildness. "You were fighting about Nancy leaving a pan in the sink and Evan using Joan's nail polish. I was in the sun room and couldn't help hearing every word, your voices were so loud—"

"Oh," Joan exclaimed in a relieved voice. "I didn't know what you meant. You scared me. We weren't fighting."

"Goodness, that wasn't a fight," Nancy cried scornfully. "That was just an argument. We often argue but we never fight now."

"But it sounded to me exactly—"

"Oh no," Evan interrupted, washing plates vigorously. "Fighting doesn't get you any place. We don't fight but we have to argue to settle things—"

"Did you settle things with this argument?"

"Sure, Nancy has to scour her pan before she goes out and we'll see she does."

"And Evan has to buy me a new bottle of nail polish."

"All right," he shrugged. "Then I can use the rest of this one."

They flung into the sun porch in a body when the dishes, including Nancy's pie pan, were finished and collapsed upon creaking wicker chairs.

"Gee, mum, we had the swellest time when you were gone," Nancy sighed. "Remember the time the waste basket caught fire, kids?"

"The waste basket! Which one? Was anything hurt?"

Gosh no, it was the tin one in Evan's room. It only got a little bit brown. We just poured water in and it was over in a minute."

"Remember the morning we forgot to put out milk tickets and he didn't leave any milk?"

"Oh dear," their mother exlaimed, "what did you do, telephone?"

"NO, we decided it was our own fault so we didn't have any milk all that day. But Joan made swell limeade."

"Remember when the lady came to see mother when it was raining and we were having an obstacle race in the hall?"

"Oh no! Who was she?"

"The one with the funny teeth. Remember how I forgot which egg was boiled and broke a raw one over the lettuce?"

Their faces bloomed with the joy of recollection as they lay flat with legs sprawled or doubled with feet propped high.

"Was it all so bad?" their mother asked faintly. "Didn't anything pleasant happen? I didn't dream you were having such a terrible time."

"Terrible! Why, we had the swellest time we ever had in our lives."

"But was it all accidents?"

"Those were what made it interesting," Evan said. "Look here, Nancy," his voice deepened. "I thought you were in a hurry to get over to Barbara's."

"I'm not now," Nancy answered calmly.

"You were trying to get off without doing that pan. You want to watch out for this younger generation," he warned his mother.

It was all a matter of definition, Mrs. Parker thought, of conflicting interpretations of the word "fight", the word "terrible", the word "fine". The misunderstandings between two generations were, at least in part, based on such differences. She felt startled and exhilarated as though a misty view had suddenly become, not clear, but clearer. In a way her husband was right, but he did not begin to understand the complications of a situation which seemed to him quite simple. Perhaps it was simpler than she, with her flurries of anxiety, supposed. Certainly no three faces could look happier and more serene than those of her children as they probed the joys of their five days of sovereignty.

"And the night we thought we heard a burglar and Joan leaned out her window to yell for help and Evan was real brave and started down to telephone the police—"

"I forgot why you didn't yell, Joan," Evan remarked.

"The street looked so quiet I felt silly. A good thing I didn't when it turned out to be the cat next door."

"There's daddy," Nancy cried. "Oh daddy, we've been telling mother what a super time we had. When are you going to take her on another trip?"

Ideal Beauty Salon
W. O. WIEGAND
Permanent Waving : Beauty Culture
Hair Goods
58 BLOOR ST WEST — GOLD MEDALIST
Kingsdale 1293 — DIPLOMIST

NAUSEA due to motion upsetting the organs of balance, relieved with MOTHERSILL'S SEASICK REMEDY
For Land and Sea travel. Satisfactory results, or money refunded.
THE WORLD OVER

Lyric in Spring-time

...a gay and rhythmic bonnet typical of the

pretty-girl hats enchanting the eye at EATON'S

TORONTO PUBLIC LIBRARIES

British Steel Exports Will Be Low in 1947

By JOHN L. MARSTON

Saturday Night's Financial Correspondent in London

The focus of attention of British industry is likely soon to be shifted from coal to steel. The latter industry, at present to be left in the hands of its present owners, is putting into effect a £200-million 7-year modernization plan. Despite optimistic forecasts for 1947 production, however, estimated exports of steel are less than half what they were in 1946.

It would seem, says Mr. Marston, that the authorities, without whose permission no steel can be exported, are taking the long-term view that it is better to build up capital industries at home in order to make a solid basis for future exports.

London.

IT IS certainly too early yet to say that the end of Britain's coal crisis is in sight, but positive progress is being made to overcome it. Many pits have been surpassing their targets already, and further mechanization planned by the National Coal Board, which took over the mines at the beginning of this year, should put the production curve on a positive upward trend before many months. From the Spring onwards, of course, the demand for coal will be much lighter.

The focus of attention is likely soon to shift to the steel industry. Unlike the collieries, this industry is being left, for some years at any rate, in the hands of its present owners, who are formed into the Iron and Steel Federation. This body, in cooperation with the Government, is beginning to put into effect a 7-year modernization plan originally scheduled to cost £168 million but now expected to top the £200-million mark. Many projects are already in hand; but they do not, of course, affect the immediate prospect.

The supply position of steel, in Britain as in other producing countries, is extremely tight. Most categories are inadequate to needs, and in some—notably sheet—the scarcity is so acute as to put a sharp brake on output of the consuming industries. Motor cars, steel houses, and canning, are particular sufferers from the shortage.

The Federation has issued a comparatively optimistic forecast of the position in 1947. It estimates output of steel at 13-13½ million tons, which is slightly more than the peak peacetime output of 1937 and compares with an actual total of 12¾ million tons last year.

The improvement is decidedly not adequate to needs (there is little agreement with the Federation's view that supplies in the present year will not be "far out of line" with the consuming industries' capacity to use steel), but it will help. The figures suggest, at any rate, that steel, though continuing scarce, will not be so serious a bottleneck this year as last: it will merely be "in short supply", like non-ferrous metals, timber, and so many other commodities.

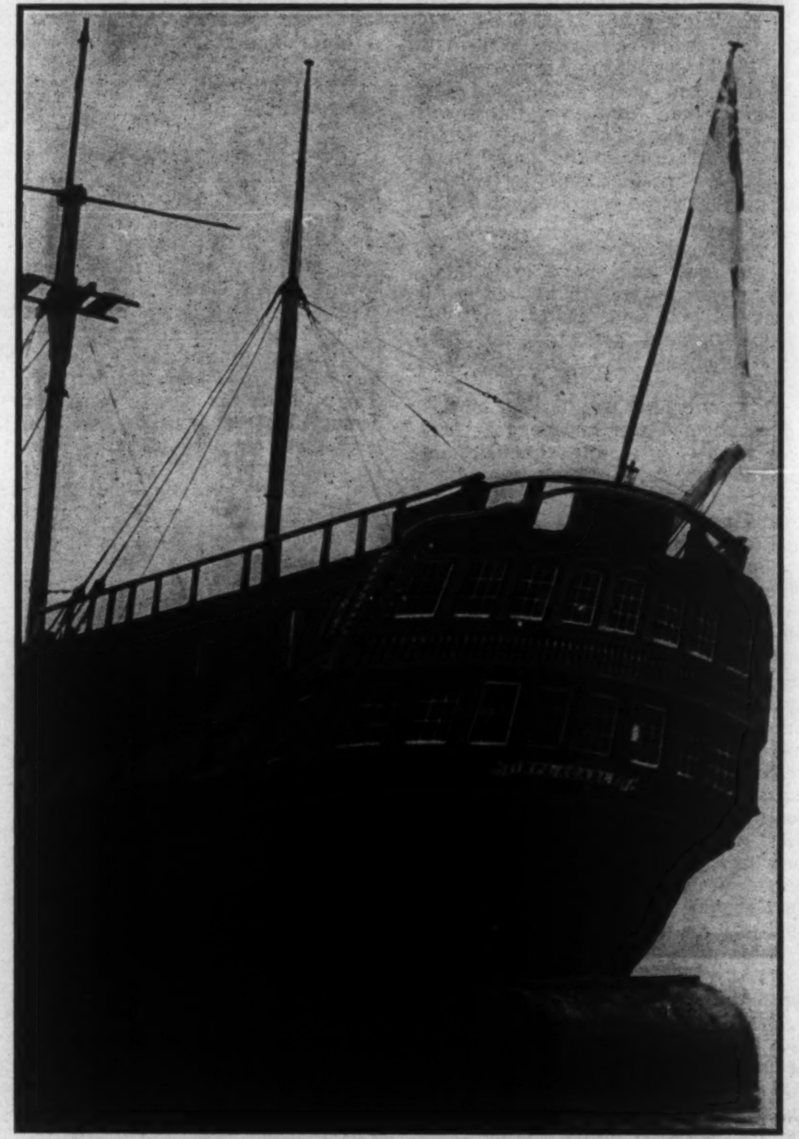
Export Problem

There is, however, a specially unsatisfactory feature of the position, comparable with that of coal. It is on the export side. Even in the past year as much as 2½ million tons of steel were exported, and around the middle of the year it was making a very useful contribution to the revenue from exports. The estimate of supplies available for export this year is only about 1 million tons. The proceeds are therefore likely to be around £30 million less than in 1946.

Export figures in the abstract are always misleading; indeed, they mean nothing. There is little doubt

(Continued on Next Page)

Trafalgar Prize Is Retired



Britain's oldest wooden warship, the "Implacable", which served as a wartime training ship at Portsmouth, was retired last month. Laid down in 1797 as the French "Duguay-Trouin", she was captured at Trafalgar. She was reconditioned in 1925 at cost of £25,000. Below, companionway...

... view of cadets at boat drill; lower photo, coiling rope on poop deck.

THE BUSINESS ANGLE

Wages and Profits—14 to 1

By P. M. RICHARDS

IT NOW appears that if labor refrains from indulging in frequent, costly stoppages of production, and if wage and price levels keep pretty well in balance, business activity and employment and general prosperity ought to be maintained at quite satisfactory levels this year. There may be a recession from 1946 heights, but we could stand a minor decline without trouble, as 1946 was an exceptionally active year. There is a lot of "if" in that, but there is also ground for optimism. The "boom-and-bust" business mentality of a few months ago is giving way to a belief that the boom has levelled off before it reached destructive heights, and that there is consequently less reason to anticipate a succeeding "bust." Prices of some commodities which had headed sharply upward with the recovery of free markets have been brought down again by more supplies coming on the market, but there is no present evidence that any future general price decline will be more than moderate.

As has often been said here, Canada's prosperity over a period of years will almost certainly depend on whether or not she can sell a sufficient volume of her products in foreign markets against the new competition of the postwar, this country having perhaps the least self-sufficient economy in the world. Exporting is easy at the moment because of world-wide needs for goods and because Canada is herself providing the means of payment through loans and credits. Later on, when we again have to trade on a competitive basis, our ability to do so will be determined largely by the level of our production costs and prices against those of other countries.

All Partners in National Economy

If wages and taxes are unduly high, we can be sure that we shall sell fewer goods abroad than we like, and that employment and business activity here will be uncomfortably low. It follows that Canadians of all economic groups have an equal interest in seeking to bring about conditions favoring the growth of export trade. Industrial workers, management, farmers, professional men and women are all partners in the national economy, which cannot work well unless those partners work together.

The prospect for its working well is darkened by labor's demands for successive wage increases and failure to understand that, in a free economy, enterprise must yield a profit if it is to survive. Labor's misconceptions on this point were well stated the other day by Henry Hazlitt, economist and author, in a speech in New York when he said that "The workers of this country, the so-called underprivileged, will destroy the free economy unless they understand that this economy is not constructed in the special interests of a small wealthy group but in the interests of everybody—above all of the workers themselves."

Whatever plausibility the recent Nathan report may have had, he said, it owed entirely to the profound misconceptions existing in respect of the relative roles played by wages and profits. In the period 1929 to 1945, U.S. wages and salaries averaged 69.6 per cent of the national income. Corporate profits averaged 4.9 per cent. This was a radio of wages and salaries to corporation profits of approximately 14 to 1. And yet it was not the $14 of wages and salaries, but the $1 of corporation profits that had been the subject of constant attack.

The year 1944 had been an unusually prosperous year for U.S. corporations. Yet the Department of Commerce, in estimating the distributive shares of all corporate production for 1944, found that the employees got 61 per cent of the total, and that after deduction of other costs and taxes there was left for net profits 9 per cent. In that year, the corporations' employees got from them between six and seven times as much as was available for stockholders.

Good Profits Mean High Employment

What do these figures mean? They mean, Hazlitt said, that the primary beneficiaries of the great corporations are the great body of industrial workers. They mean that the investors, the stockholders, are merely the residuary legatees. Yet, while these are the facts, they are not at all the general public's or the average worker's idea of them. In a recent survey it was found that two-thirds of the workers interviewed actually believed that industrial companies pay out more to the stockholders and to top management than they do to the workers.

Furthermore, the years of highest corporation profits are the years of highest employment and payrolls, and the years of lowest profits the years of lowest employment and payrolls. When corporations as a whole took a loss in 1931, 1932 and 1933, the United States had the greatest mass unemployment in its history. Yet the year in which labor got the greatest percentage of the national income was 1932. From 1909 to 1929 the lowest profits came in 1921, the year of greatest depression and unemployment. A dozen of the 21 years from 1909 to 1929 were years of substantially full employment. It was in those years that the ratio of corporate profits to national income was highest—about 10 per cent.

Notwithstanding these facts, the great body of labor today has been led to believe that corporate profits are actually greater than wages, that corporate profits are a deduction from wages, and that prosperity can only be maintained by reducing corporate profits. Hazlitt urged, to correct this, that corporations print a simplified statement of their annual reports, showing how much they paid out to job-holders as compared with stockholders. Both labor and management must understand the economy if it is to be healthy.

(*Continued from Page 22*)

that Britain exported more steel last year than she could spare. There has been a tendency, in the sacred name of exports, to send abroad vital commodities and equipment—essential machinery such as textile machinery has gone overseas though desperately needed for rehabilitation here.

It is almost impossible to strike a balance which will satisfy everyone, for it is now truer than ever that exporting is not a matter of unloading a surplus but a sacrifice necessary to obtain other goods, and the industries which suffer from the sacrifice naturally complain.

But it does appear that the authorities — no steel is exported, of course, without official permit, and no permit is issued unless the need is deemed "essential" — are coming round to the long-term view that the best way to assure the future is not to export indiscriminately now, but to build up the capital industries at home, as a basis for exports in the future, and to divert supplies to the manufacturing industries, such as motor-car manufacture, which can quickly process the steel into finished goods for export.

It had been hoped that this process could be extended further back along the raw-material line, substantial quantities of iron and steel being imported to develop manufacturing here. A few months ago there was an optimistic estimate that some 2 million tons of steel could be imported in 1947, but now, it seems, only ¾ million tons is expected, "from Dominion and other sources"—mainly Australia, Canada, and the U.S. This amount is a little more than last year, but, considering the hold-up in semi-finished steel, which prevents re-rollers from executing orders within many months, it is obvious that much more is wanted to tide over until the new development plans are bearing fruit. But the steel shortage, of course, is a world phenomenon.

Next Task

The next task, with the immediate problems out of the way, will be to consider whether the 7-year development plan is sufficient to sustain the industrial development which it is hoped will be seen in the next decade. It will raise capacity to some 16 million tons, but it will not radically alter the steel position, characterized hitherto by scarce supplies and high prices.

British industry needs steel both plentiful and cheap, and there is no evidence yet of a reduction of prices well below pre-war levels. Yet such a reduction is essential to the lowering of British industrial costs without which this country's competitive position in future years is going to be difficult indeed.

NEWS OF THE MINES

Rise in Ceilings Provides Some Relief for Base Metal Mines

By JOHN M. GRANT

INSISTENCE of the Dominion government in maintaining wartime levels on the prices of base metals came in for renewed criticism in Ottawa last week at the annual convention of the Canadian Institute of Mining and Metallurgy, which, incidentally, was the time chosen by the Wartime Prices and Trade Board to announce a partial removal of controls. Advances in ceiling prices for copper, lead and zinc, which have been adhered to for six years while world prices for the non-ferrous continued to climb, will be of material benefit only to Canadian producers of these metals in the refined form. While the raising of domestic ceiling levels fails to bring prices up to the prevailing world market, metal producers state it is a step in the right direction, but they go on to add that they would now like to see some action on the part of the government to relieve the gold mining industry of some of its present difficulties. The revised ceiling for copper will be 16⅝ cents a pound compared with 11½ cents previously. Lead prices will jump from five to 10.63 cents a pound and zinc from 5.75 to 10.25 cents a pound for grade "A" electrolytic.

•

The base metal industry, for some years, has been advocating the removal of controls due to the increase in production costs and higher world prices. Another factor in influencing the Wartime Prices and Trade Board in adjusting the prices was that over the last few months the movement of scrap materials had slowed down, in other words, speculators had been hoarding. In fact, the inventory accumulation of nonferrous scrap is stated to have reached serious proportions. Since prices were frozen in 1941 primary producers have been required to maintain adequate supplies for domestic needs and to limit more profitable export sales accordingly, the result being that the ratio of domestic sales to export sales has increased substantially. The W.P.T.B. points out that copper exports during 1946 were only 52% of total production compared with 85% exported in the 1936-39 period. Lead exports in 1946 were 53% compared with 77%, while zinc exports were 73 against 90% in 1936-39.

The C.I.M.M., as the national association of the mineral industry, naturally has a broad interest and R. J. Ennis, president, did not mince words in criticizing the government's slowness in removing controls. Mr. Ennis, who is vice-president and general manager of McIntyre Porcupine Mines, made it plain that Canadian mining had not experienced the period of recuperation it had come to expect with the end of the year and had, in fact, been left in a very sorry plight. The mining industry, he said, wanted a free hand in running its own business so that a far-sighted policy can be formulated, unhampered by a "dense fog of uncertainty." The mining industry, he claimed, does not seek, and never has sought subsidies, but added it is being hampered by influences and controls beyond its power to remove and still "is under the shadow of an emergency that has long passed." "Why should war emergency price levels continue to prevail 17 months after the war is ended," asked Mr. Ennis, "are metals really inflation factors?"

•

As V. C. Wansbrough, executive director of the Canadian Metal Mining Association, described it before the C.I.M.M., "mining in Canada today resembles a constricted giant," and added that only when constructive legislation replaces constrictive legislation will it again be able to exert its full powers. "Although it has the highest annual wage level of any industry in the country, mining is short of labor," he said. While prices of base metals on the Canadian market remain pegged by government authority, producers are caught in the pincers between fixed prices and sharply rising costs of supplies and wage bills, and he went on to add that "gold mines find the price of their product not only pegged but reduced." Mr. Wansbrough urged a judicious policy of encouragement for the industry and the stimulus of lighter taxation.

•

The "Future of Gold" was discussed at the C.I.M.M. convention by Arthur Notman of New York, distinguished consulting engineer, who forcefully presented the case for "hard money." Many well-intentioned theorists have argued that the use of gold as a medium of exchange is no longer necessary, and that "managed currencies" and properly controlled trade can be made to serve the purposes for which gold was once so useful. Mr. Notman points out, however, that the majority in this world seem to believe still that the use of gold is necessary. This, he points out, is attested by the fact that, even under conditions created by the war, there has been a "disappearance" into private hands of $1,500,000,000 in gold annually since 1942, which is considerably more than the world's annual output. Mr. Notman told the convention that he endorsed the principle of restoration of free coinage of gold by the United States and suggested that this would help stabilize the world economy.

•

In preparation for early production, Queenston Gold Mines, in the eastern Kirkland Lake district, has commenced an extensive program of intensive development. Work on two levels from the No. 2 shaft has established the lenticular character of the ore, widths of medium grade ore ranging up to 60 feet and more, along with sweeteners which are expected to bring the grade well in excess of a commercial level. Sampling and resampling of the workings on both levels is being done, together with detailed geological studies, and sufficient information should be available by spring to determine capacity of the proposed mill. Queenston is controlled by Upper Canada Mines and is amply financed for extensive development and preparations for production.

•

Shares of New Marlon Rouyn Gold Mines have been listed on the Toronto Stock Exchange. The company, formerly Marlon Rouyn Gold Mines, found it necessary to reorganize its capital structure in order to finance an extensive underground development program and to provide for production facilities if warranted. A three-compartment shaft has been excavated to 525 feet and four levels established. Crosscutting to vein zone of the 250 and 450-foot horizons commenced last week. Distances of approximately 230 feet on the former and 150 feet on the latter will need to be traversed before headings reach the ore zone objectives indicated by diamond drilling from surface.

•

Production at Cassidy Yellowknife Mines, about 12 miles from Yellowknife, adjoining Ptarmigan Mines of Consolidated Mining & Smelting Company, should be possible within eight or ten months of commencement of underground work, according to Colin A. Campbell, consulting engineer. Mr. Campbell has recommended either the deepening of an exploratory shaft and establishment of levels at 100 and 200 feet, or sinking a new shaft midway between the main orebody on No. 3 vein and a smaller high grade shoot to the south. He believes arrangements could be made to treat production at the adjoining Ptarmigan mill. The main orebody has been delineated to length of 269 feet with another 125 feet possible, average width from five to seven feet to depth of 150 feet. High grade shoot to the south has been traced on surface for 140 feet.

•

With a view to obtaining initial production of 300 tons per day by the beginning of May, Consolidated Central Cadillac Mines, is speeding the rehabilitation of the surface, crushing and mill plants. It is planned to increase mill capacity to 500 tons daily later in the year. Underground work, which was started last February, has opened up and made ready for mining a total of 32 ore faces in raises, drifts and crosscuts down to the 500-foot level. An additional six ore faces have been opened up on the 625-foot horizon, but they will not be classified as ready for mining until the main shaft reaches that level. Diamond drilling and underground development indicate 631,000 tons of ore grading, $10.54 uncut grade or $5.93 cut grade across five feet to the 1,000-foot horizon. Shares of the company have been listed on the Toronto Stock Exchange.

Does Your Store Require A Woman's Viewpoint On Sales Promotion?

A woman who is thoroughly experienced in department store advertising and sales promotion seeks position with broad scope. Competent fashion writer used to planning pages and seeing them through. Understands fashion co-ordination. University graduate. Interested in stores throughout Canada. Apply Box 75, Saturday Night, Toronto.

The Wawanesa
Mutual Insurance Company
ORGANIZED IN 1896
Admitted Assets $5,833,185.28
Surplus - - - - - - 3,039,566.10
Write for Financial Statement
Head Office WAWANESA Man.
Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal

1887
1947

60 Years of Growth . . .

In this, the greatest year of growth since incorporation, people in all walks of life purchased 48,991 policies through qualified representatives of the Manufacturers Life. The 365,544 policies now in force in the Company average $2,653 each, giving a total protection of $969,884,256 to families in hundreds of communities.

Each of these policies has a share in a fund of $330,143,238 — the assets under administration to guarantee their fulfilment.

60 Years of Service . . .

For six decades the Manufacturers Life cheques have lifted pressing financial burdens for thousands of beneficiaries and policyowners. Every working day during 1946 $61,535 was disbursed by the Company for a total of $19,260,466. Since 1887 the Company has paid a total of $340,223,884 to living policyowners and the beneficiaries of deceased policyowners.

THE MANUFACTURERS LIFE INSURANCE COMPANY
HEAD OFFICE • TORONTO, CANADA

Business Established 1889

While keeping fully abreast of the times, this organization has acquired a fund of investment experience to draw upon in serving its clients abroad as well as from coast to coast in Canada.

A. E. AMES & CO.
LIMITED

Business Established 1889

Toronto, Montreal, Winnipeg, Vancouver, Victoria, New York, London, Eng.

We Offer

Quebec Power Company
First Mortgage and Collateral Trust Sinking Fund Bonds
3%, Due September 1, 1962
PRICE: 101. and accrued interest, to yield 2.92%

Quebec Power Company, which is controlled by The Shawinigan Water & Power Company, serves the City of Quebec with electric power and gas, and an extensive surrounding district with electric power. Through a wholly-owned subsidiary the Company operates transportation services in the City of Quebec and immediate environs.

The gross revenue of the Company and subsidiary has increased from $3,933,066 in 1936 to $7,483,082 in 1945. During the same period operating profit increased from $1,749,948 to $2,440,390.

Earnings available for bond interest, after charging depreciation, have averaged 2.75 times such interest charges in the ten years ended December 31, 1945.

For the nine months ended September 30, 1946 net earnings after depreciation were 3.16 times interest charges.

Descriptive circular available upon request.
We offer these bonds as principals and recommend them for investment.

DOMINION SECURITIES CORPORATION LIMITED
ESTABLISHED 1901
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
Toronto, Canada

INVESTMENT SECURITIES

NESBITT, THOMSON & COMPANY, LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada

"RECORD OF INVESTMENTS AND DIVIDENDS"
This convenient printed record form for your investments permits a ready listing of your holdings; monthly dividends, maturity dates.
VALUABLE FOR RECORDING YOUR 1947 DIVIDEND RECORDS.
A copy will be mailed on written request.

DICKSON, JOLLIFFE & COMPANY
Members The Toronto Stock Exchange
TELEPHONE ★ ADelaide 7451—80 KING ST. WEST—TORONTO 1, ONT.
JOHN S. DICKSON • W. H. JOLLIFFE • A. L. A. RICHARDSON

GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

H. T. R., Belleville, Ont.—In connection with the offering of $1,000,000 of 4 per cent first mortgage bonds of ENGLISH ELECTRIC CO. OF CANADA, LTD., records are provided of earnings of the company for the first eight months of 1946, with an estimate for the full year and another in regard to results for the current year of 1947. The operations in 1946 reflected, as in the case of many Canadian companies, the interruption to normal operations as the outcome of strikes in the United States and in Canada. For 1945 the company had shown operating profits and other income of $305,740 (compared with $319,725 the previous year), with the 1945 balance before taxes of $199,240, as against $122,462 for the year 1944, the provision for depreciation in 1945 being much smaller than in the previous year. An improvement over the 1946 results is indicated for the year 1947. The company estimates that net earnings available for interest on the new first mortgage bonds should be equal to the average earnings for the nine-year period of 1937-45; that is, eight times the maximum annual interest of $40,000 on the new bonds, or four times such interest after depreciation. The latter would indicate an estimate for 1947 of net profits before interest of $160,000, or $120,000 after interest but before taxes.

G. A. M., Shawville, Que.—I understand AURLANDO GOLD MINES disposed of its property in Baird township, Red Lake area, to Duroc Red Lake for $500 cash and 125,000 shares. I have not seen any report on the results of the drilling, however, the new company recently proposed a geophysical survey of the property. Other ground is held in the Larder Lake and Yellowknife districts. BEAULIEU YELLOWKNIFE MINES has purchased a mill of 35 tons daily capacity and plans sinking a two-compartment shaft to depth of 300 feet. Nothing of interest has been reported by INSCO MINES from its property in Dufresnoy township, Quebec. A number of anomalies were outlined by a geophysical survey in 1945 and most of these were drilled through the ice last winter, but without results. Further diamond drilling is planned through the ice this winter. OKLAND GOLD MINES is still idle. The company retains in good standing some 56 claims in the Little Long Lac area, but is marking time in the hope of possible developments of interest on neighboring properties. Last year the company reported about $65,000 cash and investments in the treasury.

N. D. S., Montreal, Que.—Monthly earnings of GENERAL BAKERIES LTD. in the current fiscal year are exceeding expectations, according to J. William Horsey, president. The original earnings estimate of $118,200 or 47 cents a share on the common stock was based on the combined sales volume for the first seven periods and did not take into account any increased profits that might result from changed methods of operation. The unprofitable Toronto division is now on a satisfactory basis and is expected to show further improvement.

W. D. S., Winnipeg, Man.—As far as I am aware the diamond drilling carried out at ROCHETTE GOLD MINES, since control changed hands, gave erratic results which were not commercial. A 35-ton mill was never put into operation. A small tonnage of high grade is reported on the dump. The previous drilling was on the No. 1 vein and more recently it was decided to test the No. 3 vein by drilling. This vein is exposed for a short distance on surface. At last report the company had around

BUSINESS AND MARKET FORECAST

Leeway for Upward Move

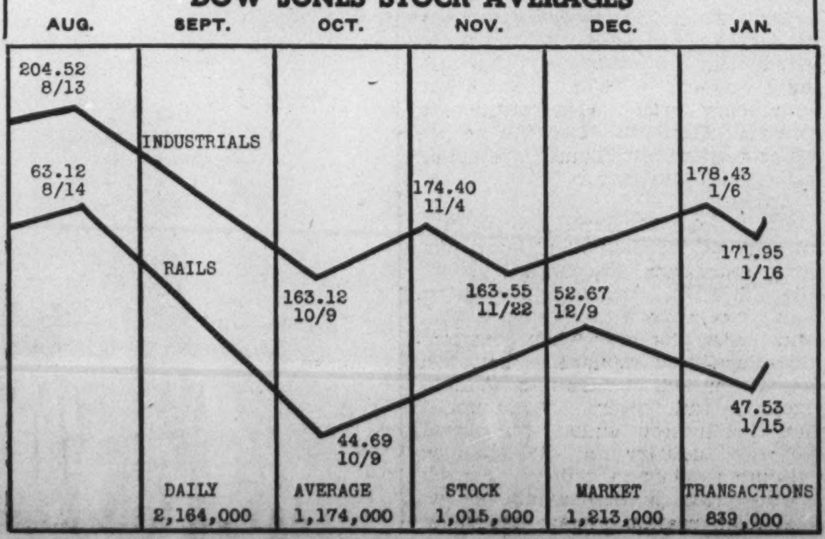
BY HARUSPEX

THE LONG-TERM N.Y. STOCK MARKET TREND: While the decline of the past several months has gone some distance toward discounting maladjustments in the economic picture, evidence is lacking that a point of fundamental turnabout has yet been reached. The September/October bottoms established a base out of which a minimum short term recovery has been achieved. Barring major adverse labor troubles, further short term advance is not to be ruled out over the month or two ahead.

Recent easing of the restrictions on the incurring of debt in the U.S.A. against security transactions represents another favorable item of an intermediate character occurring since the September/October low points. Other developments, previously discussed herein, have been the Congressional elections, with indications of a more conservative turn by the electorate; elimination of the bulk of war controls; surface improvement in the international political picture; a $1-billion rate increase for the railroads; shift of organized labor from an aggressive to a defensive position, with indications of some correction in the present imbalance of power in labor's favor as against management.

Combined with the above factors is a level of business that promises to hold at a relatively favorable rate over the early half year, thereby contributing to good earnings in the first and second quarters. Altogether, it is a combination justifying greater market rally than has been witnessed so far in the price recovery from the 1946 bottoms. Thus, while it is true that at the recent rally peaks the two averages had attained minimum technical limits, that is, a 3/8 cancellation of the August/October break—and thus the rally may be completed—we would rather not make such assumption yet. Instead, we would allow the market some further leeway for renewal of upward tendency.

DOW JONES STOCK AVERAGES



J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
Toronto Kirkland Lake

SAVE AND PLAN

Plan for the things you want most and accumulate the required funds through a Canada Permanent Savings Account. Regular deposits soon build a fund for obligations, emergencies and future expenditures. Savings earn 2%.

CANADA PERMANENT Mortgage Corporation
Head Office: 320 Bay St., Toronto
Assets Exceed $67,000,000

Commission Brokers in LISTED and UNLISTED INDUSTRIAL and MINING STOCKS

S. R. Mackellar & Co.
Established 1926
Members The Toronto Stock Exchange
27 Melinda St. Toronto 1

LEITCH GOLD MINES
LIMITED
(No Personal Liability)
DIVIDEND No. 34

NOTICE IS HEREBY GIVEN that a quarterly dividend of two cents per share has been declared by the Directors of the Company, payable in Canadian funds, on February 15, 1947, to shareholders of record at close of business January 31, 1947.

By order of the Board.

W. W. McBRIEN,
Secretary-Treasurer.

January 23, 1947.

KERR-ADDISON GOLD MINES LIMITED
(No Personal Liability)

INTERIM DIVIDEND NO. 40

Notice is hereby given that an interim dividend of three cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Friday, February 28th, 1947, to shareholders of record at the close of business on Friday, February 7th, 1947.

By Order of the Board.

G. A. CAVIN,
Secretary-Treasurer.

Toronto, Ontario.
January 24th, 1947.

ALUMINIUM LIMITED

COMMON DIVIDEND

On January 23rd, 1947, a quarterly dividend of $2.00 per share was declared on the Common Shares of this Company payable in Canadian Dollars March 5th, 1947, to shareholders of record at the close of business February 7th, 1947.

Montreal J. A. DULLEA,
January 23rd, 1947. Secretary.

$125,000 in quick assets. The latest information on THORN HILL GOLD MINES was that sinking of a two-compartment shaft was proposed to a depth of 400 feet and the establishment of three levels. Values were so distributed throughout the drill holes that they are hard to correlate and make a tonnage estimate difficult. The company's engineers expressed the opinion that it was reasonable to assume there is one or more zones present, which after underground exploration could indicate a large lenticular orebody or several smaller bodies.

F. E. W., Westmount, Que.—Consolidated operating revenues of JAMAICA PUBLIC SERVICE LTD. and subsidiary companies have shown improvement in the current fiscal year to date, according to the latest report from the company covering operations to the end of Nov., 1946. Total revenue for the 12 months ended Nov. 30, 1946, amounted to $1,828,245, or over $200,000 more than was reported for the similar period ended in 1945. This gain in business is reflected in net earnings for the same period, which at $220,804 are equal to $1.63 per share, after preferred dividend requirements, compared with $1.31 for the 12 months ended Nov. 30, 1945. Net earnings for the fiscal year ended Dec. 31, 1945, amounted to $176,178, or $1.31 per share. Dividends on the common are being paid at the rate of 17 cents quarterly, or 68 cents per annum.

H. T. C., Toronto, Ont.—I understand WALDAG MINING CO. has plans for resumption of operations, but have seen no recent report as to their progress in this connection. The company holds a silver-cobalt prospect of 60 acres, in Gillies Limit, Cobalt area. The property is an old silver producer and was formerly known as the Waldman mine. Some cobalt production was reported in 1944. The head office of the company is located at Room 304, 21 King Street, East, Toronto. L. P. Monahan, is president and A. J. Gravelle, secretary-treasurer.

R. A. K., Owen Sound, Ont.—You can expect another dividend of 10 cents a share on your holdings of BELLETERRE QUEBEC MINES March 15, if the stock is still registered in your name on Feb. 28. This will make the fourth such disbursement by the company, which is controlled by McIntyre Porcupine Mines. The initial dividend was paid on Sept. 15, 1945, and 20 cents was distributed last year. As the lowest net earnings in the past six fiscal years was 24 cents a share, the company has had no difficulty in making such a return. Profit in the 12 months ended March 31, 1946, was equal to 27.8 cents per share. Production of the company in the six months to Sept. 30, 1946, was $806,535 from 60,846 tons averaging $13.41 an increase in tonnage and output, although a slight reduction in grade. The average recovery in the previous year was $13.55. It should be remembered, however, that the 10% exchange premium was lost last summer.

G. D. V., Calgary, Alta.—Prospects for CANADA FOUNDRIES & FORGINGS LTD., with demand for its products in excess of supply and a large backlog of orders on hand, are regarded as very promising and results for 1947 are expected to register considerable improvement over 1946. Volume of business for 1946, due to the steel strike and the resultant shortage of materials, was moderately lower, and the annual report for the year ended Dec. 31, 1946 is expected to show earnings on a par or a little better than for 1945, when net totalled $128,193, equal to $3.59 a share on the class "A" and to $7.76 on the class "B" shares. Higher operating costs and continuance of rigid price ceilings are affecting the margin of profit, and while increases in prices on certain products have been allowed in recent months, it is hoped that further alleviation will be forthcoming. Export trade is being developed and will provide a larger volume of the year's business than usual. The company's three plants at Brockville and two at Welland are in good condition, and the reconversion program is practically completed.

C.C.P., Woodstock, Ont.—A new diamond drilling program of 5,000 feet has been announced by HUGH MALARTIC MINES. I understand the new contract involves the first drilling exploration of the southern part of the property, immediately adjoining Norbenite Malartic Mines, where shaft-sinking is underway. The company's plans call for drilling along the eastern boundary of range 1, which marks the dividing line between Hugh Malartic and Norbenite, and later extending the program into range 2, which adjoins Vinray. Hugh Malartic Mines owns approximately 130,000 shares of Norbenite, as well as a block of Citralam Malartic Mines, shares. Drilling is proceeding on the latter property. Control of Hugh Malartic is in the hands of Vincent Mining Corporation.

D.W.K., Lethbridge, Alta.—I look for a better showing on the part of MALARTIC GOLD FIELDS in the current year, but this, of course, is largely dependent on the labor situation. The increase lately in manpower has raised mill tonnage and it is hoped to be able to get this up to an average of 750 tons daily and maintain that rate until the new 1,500-ton mill will be ready next summer or fall. Grade at present is around $6.50 to $7 and at the prevailing tonnage the operation is a profitable one. Further lower costs are expected as a result of various mine improvements. For most of 1946 the mill was well under capacity and during the past six months profits were further restricted by the lower price for gold. While a net loss is looked for it is likely to be substantially below that of $94,690 reported in 1945. At the end of the previous year ore reserves were calculated at 1,210,380 tons, plus a probable 1,390,000 tons between the 600 and 1,200-foot levels at the No. 2 mine. The shortage of labor has made it impossible to advance development as fast as had been hoped, but it is possible the compilation at the end of 1946 may show some increase in tonnage, although grade may be down somewhat. Construction of the new 1,500-ton mill to be located at the No. 2 shaft will not commence until next spring.

All Hungarian ships on the Danube were taken away by the retreating Germans in the final stages of the war, and the vessels were later found in the U.S. zone of Austria. The U.S. authorities are now returning them, and picture shows the first of the ships arriving at Budapest. In the background is the ruined chain bridge blown up by the Germans.

The Stock Appraiser

By W. GRANT THOMSON

SUCCESSFUL investment depends on knowing two things: (1) What to buy (or sell) (2) When to buy (or sell). The Stock Appraiser—a study of Canadian stock habits—answers the first question.

All active and well distributed stocks (with a few minor exceptions) advance or decline with the Averages. The better grade investment stocks do not normally move as fast as the averages, while on the other hand the very speculative issues have a relative velocity more than twice or three times as great.

The STOCK APPRAISER divides stocks into three Groups according to their normal velocity in relation to the Averages.

GROUP "A"—Investment Stocks
GROUP "B"—Speculative Investments
GROUP "C"—Speculations

The Factors affecting the longer term movements of a company's shares are ascertained from a study of their normal habits. Predominant Factors are shown as:

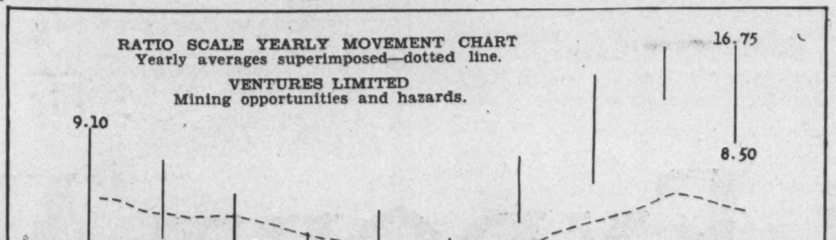
1. FAVORABLE
2. NEUTRAL or
3. UNATTRACTIVE

A stock rated Favorable or Neutral-Plus has considerably more attraction than those with a lower rating, but it is imperative that purchases be made, even of stocks with favorable ratings, with due regard to timing, because few stocks will go against the trend of the Averages.

The Investment Index is the average yield of all stocks expressed as a percentage of the yield of any stock, thus showing at a glance the relative investment value placed on it by the "bloodless verdict of the market-place."

VENTURES LIMITED

			Gold Averages		Ventures	
PRICE 31 Dec. 46	— $9.00					
YIELD	— 2.2%	Last 1 month	Down	2.4%	Up	5.3%
INVESTMENT INDEX	— 190	Last 12 months	Down	26.2%	Down	35.7%
GROUP	— "C"	1942-46 range	Up	193.6%	Up	458.6%
FACTORS	— see below	1946 range	Down	37.9%	Down	49.3%



SUMMARY: We suggest Ventures Limited as a speculation with the expectation that it will provide better than average appreciation during bull markets. However, as it is in Group "C" it can be expected to show more than average decline in periods of general market weakness.

Those investors who desire to place a certain proportion of their funds in mining enterprises and at the same time do not wish to accept undue risks, would be well advised to buy Ventures when these shares are relatively low. The company now has almost world wide ramifications and provides shareholders with an interest in very widely diversified mining enterprises.

Unless the policy of the company is changed, investors should not anticipate much income from these shares but the yearly range chart shown above demonstrates clearly the growth possibilities of this company.

Investment Service

To assist investors in the selection of securities most suitable to their individual requirements, the services of our organization are always available.

Your enquiries by mail or telephone will receive careful consideration.

Wood, Gundy & Company
Limited
Winnipeg TORONTO Vancouver
Ottawa Montreal New York Victoria
London, Eng. Hamilton Kitchener London, Ont.

MEMBERS
Toronto Stock Exchange
Montreal Stock Exchange
Montreal Curb Market
Calgary Stock Exchange
Vancouver Stock Exchange
Winnipeg Stock Exchange
Winnipeg Grain Exchange
The Investment Dealers' Association of Canada

EXECUTIVE OFFICES
WINNIPEG

BRANCHES
Vancouver
Victoria
Calgary
Edmonton
Regina
Saskatoon
Moose Jaw
Lethbridge
Portage La Prairie
Swift Current
Kenora
Toronto
Montreal

Fourteen Offices and Members of All Canadian Stock Exchanges To Service Traders and Investors

Our fourteen offices from Montreal to Victoria, all connected by direct private wires and being members of six Canadian Stock Exchanges, insure traders and investors wide facilities for dealing in listed and unlisted industrial, mining and oil stocks and Government, Municipal and Corporation bonds.

You are invited to use these facilities for securing quotations and transacting orders. Our comprehensive statistical department is also at your service to supply facts and figures about securities in which you may be interested.

• • • •

Eastern business men, when travelling West, are invited to get quotations and service from our Western offices. They may also keep posted on quotations while en route, through bulletins we place on Transcontinental trains giving quotations for leading Canadian and American stocks.

JAMES RICHARDSON & SONS
ESTABLISHED 1857

EXECUTIVE OFFICES WINNIPEG

Fourteen offices from Montreal to Victoria connected by direct private wires.

37

ABOUT INSURANCE

Elimination of Dishonest Claims in Interest of Insuring Public

By GEORGE GILBERT

As the amount of the losses incurred by insurance companies measures the amount which, in addition to a sum for expenses and a possible profit, they must collect in premiums, the insuring public have more than an academic interest in keeping the losses as low as possible.

Accordingly, when the amount of the losses is increased as a result of the collection of dishonest or fraudulent claims, the cost of insurance is also increased, and the elimination of such claims as far as possible is therefore of distinct benefit to honest people who comprise the great majority of the insured.

FROM the standpoint of the insurance buying public, the primary function of insurance companies is the prompt and satisfactory adjustment and payment of claims as they occur. The millions of policies taken out are regarded more or less as orders on the companies for payments should losses take place which are covered under the terms of the policy contracts. On their part, the insurance companies are faced with the task of keeping the cost of insurance within bounds which will permit them to operate at a normal profit and at the same time keep their policyholders satisfied that they are not being overcharged for the protection.

Their objectives in the work of adjusting and paying claims are: fair and equitable determination of the amount to be paid; treatment of claimants in a manner to merit the confidence and good will of the great majority of those who buy insurance, while doing what they can to defeat the small minority of claimants—from 3 to 4 per cent—who try to get rich quick by making deliberately inflated or altogether false or fraudulent claims. It is not as well understood as it should be that the payment of dishonest claims increases the cost of insurance to all policyholders.

Public Fixes Cost

As a matter of fact, the insuring public really fixes the cost of insurance, as the insurance companies must collect in premiums an amount at least sufficient to pay the losses and expenses of carrying on their operations, if they are to remain solvent and continue in the business. The higher the losses, the higher the premium rates, and the lower the losses, the lower the rates. It is therefore in the interest of honest policyholders to prevent as far as possible the payment of dishonest and fraudulent claims, if the cost of insurance is to be kept within reasonable bounds.

It often happens that only by the most careful and thorough investigation can a dishonest or fraudulent claim be distinguished from a legitimate one. Accordingly, all claims must be put through a routine process of examination, which is sometimes annoying to the honest claimant who cannot see the necessity of taking such precautions in his case. He has paid his premium, has had a loss, and feels he is entitled to receive payment without any more ado about it.

Most companies, when there is nothing suspicious about a claim, move speedily to adjust and pay it in the shortest possible space of time, as they know that prompt and satisfactory settlement of losses is the best way to build good will for the company. In fact, a company which acquires a reputation for delay and haggling or contesting claims is generally shunned by insurance buyers and by the agents who sell insurance.

Despite their efforts through claim investigation bureaus to eliminate dishonest claims and so bring down insurance costs, the fake claim artist has not been entirely eradicated, though numerous well-organized rings have been broken up in recent years and many individuals have been convicted and sent to prison. But evidently the temptation to pick up in this way what looks like easy money still exists, and claim fakers will go to almost unbelievable lengths to defraud insurance companies.

Personal Injury Claims

In order to collect insurance money under personal injury claims, some people will lacerate their skin with currycombs, pierce and wound themselves, swallow blood to simulate internal injuries, and even break their bones. They apparently believe it easy to fool an insurance company, which they regard as a very wealthy concern which can well afford to pay the money and is likely to do so rather than go to very much trouble in looking into the merits of the claim. Some of them move from city to city and change their names, making it more difficult to catch up with them.

In some cases these claim fakers have freakish physical attributes which enable them to deceive the insurance companies for a while at least. In a recent address, Manager Wayne Merrick of the Claims Bureau of the Association of Casualty and Surety Underwriters, cited the case of one Frank Rush who could throw almost any joint in his body out of place and then restore the joint to its normal position. It was a stunt that netted him $30,000 a year until the insurance investigators caught him.

He was able to carry on his career of fraud for a long time. He fell in various cities throughout the country, always in an insured location. He would feign unbearable pain, would be rushed to the hospital where X-rays would be taken, competent doctors would be convinced of the genuineness of his injuries, and the insurance companies would pay off.

In Oakland, California, he fell down the steps of a bus, and X-rays revealed a dislocated neck. While doctors were preparing to put him in a cast, he telephoned the insurance company on the risk and demanded $10,000. An adjuster arrived and jokingly offered him $200 in settlement of his claim. To the surprise of the adjuster, he accepted this amount, and 30 minutes later snapped his head back into position, dressed and walked away.

Gives Trick Away

However, in doing so he gave the trick away, and later, when a claims man identified a "Frank Martin" in a Baltimore, Md., hospital as Frank Rush, the Bureau investigators moved in. They proved that "Martin" was really Rush, and he was convicted and sent to the Maryland penitentiary.

But the toughest cases to crack, according to claim experts, are those involving organized rings. In one of these cases, the ring was headed by an insurance broker, who used his business as a cover-up for his fraudulent activities. He had a gang of several hundred so-called claimants and witnesses, for rooming house owners, and several doctors and lawyers. He issued policies in the names of members of the ring, purchased motor cars and then staged accidents.

A report would be mailed by the insured to the insurance company describing the "accident," and giving the names and addresses of witnesses—the addresses being those of rooming house keepers on the ringleader's payroll. When the insurance investigators called, the rooming house keeper would say the witness had just stepped out, and an appointment would be arranged. One of the ring's witnesses would then be contacted by the rooming house keeper so that he would be on hand at the appointed time.

Doctors employed by the ring certified the injuries, which often were so severe that the claimant was not available for questioning until the wounds were healed. After a case was settled, the ringleader paid off the participants, cancelled the policy and sold the car. In time witnesses and claimants became too well known to various insurance companies, and the ring was exposed. The broker was sent to prison, and so were fourteen members of the ring, but they were successful in defrauding insurance companies to the extent of an estimated $200,000 a year before they were apprehended.

• •

Company Reports

Manufacturers Life

THIS is the Diamond Jubilee year of the Manufacturers Life Insurance Company, as it will complete sixty years of operation in August next, and while it can look back over six decades of outstanding growth and expansion in business and in service to policyholders, it can also look forward with confidence, in view of the strength of its financial position and world-wide organization, to even greater progress in the future. Its 60th annual report, for the year ended Dec. 31, 1946, shows total payments to policyholders last year of $19,260,467, as compared with $17,274,202 in 1945. Its new business amounted to $154,236,828, as against $107,502,982 in 1945, while its business in force at the end of 1946 totalled $969,884,256, as compared with $853,687,237 at the end of the previous year. Its total income in 1946 was $67,950,665, as against $61,194,587 in 1945. Its assets at the end of 1946 totalled $330,143,238, as compared with $295,831,536 at the end of 1945. The gross rate of interest earned on the assets was 3.61 per cent, as compared with 4.10 per cent in 1945. The market values of its securities is substantially in excess of book values at which they are carried in the annual report. In addition to the reserve of $3,425,000 for dividends to policyholders, the shareholders' fund of $2,492,984, the contingency reserve and surplus at the end of 1946 amounted to $16,747,416, as compared with $15,068,701 at the end of 1945. The unassigned surplus was $11,747,416, as compared with $10,068,701 at the end of 1945.

Crown Life

UNDER skilful and sound management, the Crown Life Insurance Company continues its record-breaking progress. Last year its new policies issued, including income bonds, amounted to $101,138,454, compared with $62,521,355 in 1945, while its insurance in force at the end of 1946 totalled $465,424,118, compared with $396,834,143 at the end of the previous year. Payments to policyholders and beneficiaries in 1946 amounted to $6,472,276, including $88,605 resulting from war casualties, compared with $4,800,352, including $179,275 resulting from war casualties, in the previous year. Total assets at the end of 1946 were $90,777,910, compared with $79,520,019 at the end of 1945. The average rate of interest realized on ledger assets was 3.94 per cent, compared with 4.01 per cent in 1945. Total receipts in 1946 were $22,971,594, compared with $18,185,639 in 1945.

(Continued on Page 28)

NOTICE

is hereby given that The Dominion Fire Insurance Company has been granted Certificate of Registry No. C 1079 authorizing it to transact in Canada the business of GUARANTEE INSURANCE and THEFT INSURANCE, in addition to the classes for which it is already licensed.

R. H. L. MASSIE,
President.

Send for Your Free Copy Today

YELLOWKNIFE DEVELOPMENT REVIEW FOR 1946-1947

A resumé of development work already completed and work planned for the following Yellowknife Gold Mining Companies:

COLOMAC
DISCOVERY
DIVERSIFIED
GIANT
SALMITA

AURLANDO
BEAULIEU
LEXINDIN
INDIAN LAKE

ADMIRAL
ALCAN
ALPHA
AMY
ANDREW
ANDY
ARCTIC
ATLAS
AURIGA
AURORA
BEAUCAMP
BEAURIV
BELLE-BRY
BERYLACA
BILOXI
BLADE
BOISE
BOWIE
BRAVO
BRUIN
BURGESS
CABALA
CABOT
CALIFORNIA
CAPTAIN
CARDINAL
CASSIDY
CAVAN
CHALKIS
CHARM
CIRCLE
CONALDON
CONJO
DALLAS
DEB
DOLPHIN
DORIS
DRAKE
DUNN
EMERALD
ESKIMO PETE
FAIRBANKS
FLEETWOOD
FORBES
FORTUNE
FREDERICK
GOLDPAC
GOLDRICH
GOTHAM
GREAT

HOMER
HUB
HUHILL
JENSEN
JEPH
JACKNIFE
KAMLAC
KARAT
KIMBERLEY
LASALLE
LEADER
LODESTAR
LUCILLE
LUNDAY
LUZON
LYNX
MARBEAU
MASSIVE
MEEWOOD
MERINO
MIDAS
MIRACLE
MOHER
NIB
ORACLE
ORO
PARTRIDGE
PAYNE
PENGUIN
PENSIVE
PET
PORTLAND
PRIMUS
QUEBEC
QUEST
QUYTANGLE
QUYTA
RANDALL
REGINA
SAMAR
SLEMON
SNOWDEN
SOVEREIGN
SUNSET
TANAUR
TARTAN
TIFFANY
TYPHOON
VESTA
WEST BAY
YANK

H. D. CALDWELL
85 RICHMOND ST. W., TORONTO

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817 . . . "MY BANK" TO A MILLION CANADIANS

B of M

BANK OF MONTREAL

THE Casualty Company of Canada
HEAD OFFICE - TORONTO
AGENCY OPPORTUNITIES
IN SOME TERRITORIES THROUGHOUT CANADA
E. D. GOODERHAM, President — A. W. EASTMURE, Managing Director

EXPORT "A"
FILTER TIP
CIGARETTES
20's in PACKAGES
50's in FLAT TINS

Would Trading Estates Be Useful in Canada?

By CHARLOTTE BROWN

For many years in England trading estates, or companies incorporated for developing a block of land into factory sites, have been an answer to the problem of unevenly distributed industrialization. Such a scheme might be practical in Canada for attracting industrial establishments to areas other than urban centres.

Projects in Britain, financed by private capital or by the Government, have included preparation of the sites and the building of factories for lease or sale. But in every case the particular type of trading estate has been designed to suit the needs peculiar to the area.

ONE OF the problems Canada has to face in this postwar decade is the uneven distribution of industrial development in the Dominion. We have changed from an agricultural to an industrial nation but this change has not taken place at the same pace all over the country.

There are the central provinces and the west coast, which are industrialized and where average incomes are high, and the agricultural areas of the Maritimes and Prairies where incomes are low. The reasons for this are many but the results threaten our future as a nation. Any method, therefore, that has been successful in other countries in attracting industrial establishments to areas other than the big urban centres deserves our careful consideration.

This problem of how best to encourage new enterprises to become established in the unindustrialized areas is a complicated one. Great Britain had to deal with a somewhat similar problem in her depressed areas in the thirties. She found that the formation of trading estates was of some help in encouraging industry to move into these areas.

Trading estates are companies, incorporated for the purpose of developing a block of land into factory sites. They buy the land, provide the necessary road and rail transport, power and heat, and either lease or sell the developed factory site or themselves build the factories and lease or sell them to the manufacturers. They help to create that general atmosphere of industrial activity that is so attractive to manufacturers seeking a site and make it possible for industries using similar processes or producing similar products to be closely, cheaply and efficiently grouped together.

Some Privately Financed

Some are financed by private capital and some by government funds. Two of the privately financed trading estates in Great Britain are the Trafford Park Estate at the Manchester Terminus of the Manchester Ship Canal, on which are established some 200 firms, many of them heavy industries, and the Slough Estate outside London where some 267 firms, mostly light industries, are settled.

The Trafford Park Estate bought some 1,200 acres of land in 1896, developed and serviced the industrial sites on it and sold most of them to the manufacturers who built their own factories. It cost the company about £1,500 per acre to build roads and railroads alongside each site and to service them. As a result no dividends were paid for the first twelve years but in the thirties the company was paying dividends of 6 per cent and by 1938 8 per cent on its shares.

The Slough Trading Estate has been even more profitable. Here the company took over, after World War I, a surplus government motor transport depot consisting of about 640 acres. All the land is owned by the company who first converted existing buildings to suit tenants and later built factories itself. It has developed a standard type of factory which can be built quickly and let at lower rents on account of the savings in cost through standardization.

The policy of the company has been to rent to as many different kinds of industry as possible and small factories are provided for those who need them. Probably not more than 3 per cent of the company's total profits are dependent on any one factory. It paid dividends of 12½ per cent in 1934-36 and 15 per cent in '37-38. It has started another estate near Birmingham and before the war had 267 firms as tenants on both estates giving employment to 30,000 people.

As a result of this success by private capital, the Government, when it was faced in the thirties with the problem of the depressed areas in Great Britain, decided to try this method of attracting light industries to them. It made funds available to the Special Commissioners for the Depressed Areas to finance trading estates in their areas. These estates were to develop production for local consumption by offering for rent to the small business man a good modern factory including all the necessary services.

These government sponsored trading estates have no share capital and do not operate for profit. They are to pay 4 per cent interest on their capital, however, after the first five years and have set their rentals to cover this cost. The general level of rents considered necessary to cover interest, depreciation and administration costs is 6 per cent on the total cost of providing the factory.

They offer firms with little capital, who wish to start a small manufacturing concern, a "nest" factory forming a quarter of a standard building, at a very moderate rental, covering taxes, light, heat and insurance. The floor area of such a "nest" factory is from 1,250 to 1,500 sq. ft. Space for expansion can be reserved. As they are such large consumers of electricity, the estates can obtain the lowest rates. They also maintain a staff of professional advisors on raw materials, markets, sales methods, etc. The Ministry of Labor has offices on the estate to give advice on labor matters.

Various Types

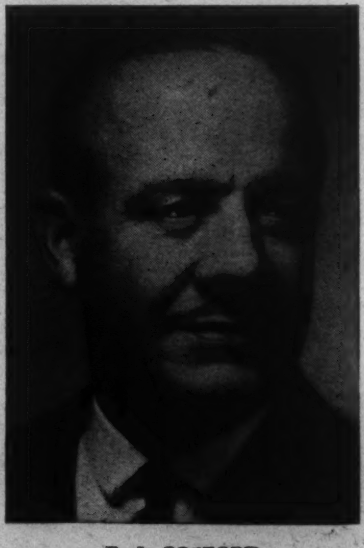
There are different kinds of these government financed trading estates designed to suit the needs of different areas. Some consist of only a few factories in a rural area, some use existing buildings, some build to suit the tenants. Roller skates from the Treforest Trading Estate were on the market in Canada this year.

This estate was started in 1936. It consists of some 250 acres of land near the Rhondda Valley coalfield. The factories are mostly of standard type, in size from 6,300 to 18,000 sq. ft. of floor space. Capital commitments amounted to £800,000. By May, 1939, there were 55 factories completed, of which 43 were in production, employing 1,870 workers.

The advantages of such an estate from the tenant's point of view is that he can obtain a standard or specially designed factory on a rental basis, thus saving himself a heavy capital outlay which might prove a serious handicap to his success. He can often obtain all this right next door to industries related to his manufacturing process. In this way the cost of the finished products can be reduced and wider markets developed.

With our need to encourage small undertakings along sound lines, especially in our industrially undeveloped areas, trading estates might be of use to us here. Using this method it might be possible to obtain the advantages that come from the grouping and working together of cognate industries without the disadvantages of monopoly control and centralization.

We have reached a period in our industrial growth when it might pay us to consider whether this method of attracting new enterprises to industrially undeveloped areas, which has proven so serviceable to Great Britain, may not hold an equal promise for us in Canada.



E. J. COSFORD

The Executive of Canadian Car & Foundry Company Limited announces the appointment of E. J. Cosford as General Sales Manager of the Company with headquarters in Montreal, effective January 1st, 1947.

Mr. Cosford joined the Company in 1945 and brings to his new office a wide experience in the field of transportation.

The Royal Bank of Canada

DIVIDEND No. 238

NOTICE is hereby given that a dividend of two per cent (twenty cents per share) upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Saturday, the first day of March next, to shareholders of record at the close of business on the 31st day of January, 1947.

By order of the Board.

JAMES MUIR
General Manager.

Montreal, Que., January 14, 1947.

YORK KNITTING MILLS LIMITED

DIVIDEND NOTICES

Notice is hereby given that a dividend of 3½% has been declared on the First Preference Stock of the Company for the six months ended December 31st, 1946, payable February 15th to shareholders of record at the close of business on January 31st, 1947.

Notice is hereby given that a dividend of 3½% has been declared on the Second Preference Stock of the Company for the six months ended December 31st, 1946, payable February 15th to shareholders of record at the close of business of January 31st, 1947.

Notice is hereby given that a dividend of 20c per share has been declared on the Common Stock of the Company for the six months ended December 31st, 1946, payable February 15th to shareholders of record at the close of business on January 31st, 1947.

By Order of the Board.

J. S. LEWIS.
SECRETARY.

Toronto, Ont.
January 20th, 1947.

A MOCO YARN REGISTERED

THE MONTREAL COTTONS LIMITED

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND of 44c per share, being at the rate of seven percent (7%) per annum, has been declared upon the $25.00 par value seven percent (7%) cumulative redeemable preferred shares of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 15th day of February, 1947.

BY ORDER OF THE BOARD,
CHAS. GURNHAM,
SECRETARY-TREASURER.

Valleyfield, January 22nd, 1947.

THE MONTREAL COTTONS LIMITED

NOTICE IS HEREBY GIVEN THAT A DIVIDEND of 13c per share, has been declared upon the Common Shares without nominal or par value, of the Company, and cheques will be mailed on the fifteenth day of March next, to shareholders of record at the close of business on the 15th day of February.

BY ORDER OF THE BOARD,
CHAS. GURNHAM,
SECRETARY-TREASURER.

Valleyfield, January 22nd, 1947.

CANADA CEMENT COMPANY LIMITED

AND SUBSIDIARY COMPANIES

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors beg to present herewith the nineteenth Annual Statement of the affairs and financial position of your Company as at November 30, 1946.

Net Earnings, after providing for depreciation and Federal Government taxes, amounted to $2,178,522.82 as compared with $1,080,146.11 in the preceding year, or equal to $2.17 per share on the subdivided Preference Shares. Preference dividends paid during the year were at the rate of 6½% per annum.

The year 1946 was a very active one in the building industry. According to published statistical information, the dollar value of building contracts awarded was higher than in any previous year. While a good deal of this work was not finished during the year, there was an enormous amount of building completed. The demand for cement was keen throughout the year and your Company's shipments were the highest on record with the exception of the year 1929. There were some delays in making deliveries but by the end of the year practically all orders on hand had been taken care of. The territory where the largest increase in demand took place was in the Province of Alberta. In the hope that the average consumption in Alberta will improve over pre-war years, an addition is being made to the producing capacity at your Exshaw, Alberta, plant which it is expected will be effective in 1947. An addition is also being made to the plant at Montreal East which is scheduled to be in operation early in 1947.

The balance of the outstanding 4¼% bonds due in 1951 amounting to $8,500,000.00 was redeemed during the year. A new issue of $3,500,000.00 2⅛% five-year serial bonds, maturing to the extent of $700,000.00 per year for five years, was sold.

Reference is made in notes on this Balance Sheet to the subdivision of the Preference Shares of the Company, for which a Special General Meeting of Shareholders was held on Wednesday, August 21, 1946. These notes deal with this matter in some detail.

Manufacturing costs continued to increase during the year and reached their highest point at the year's end. The average production cost, therefore, for 1947 will be materially higher than the average cost for 1946. It is expected that the demand for your Company's product in the coming year will be very good. There is a great deal of new building projected and the demand for building materials should keep the industry busy.

Your Company has suffered a severe loss during the year in the deaths of two of its Directors—Mr. Morris W. Wilson and Mr. Gordon C. Edwards.

Respectfully submitted on behalf of the Board of Directors.

J. D JOHNSON, President,

CONSOLIDATED BALANCE SHEET, NOVEMBER 30, 1946

ASSETS

CURRENT ASSETS:			
Inventories of cement, materials and supplies as determined and certified by the Management and valued at or below cost, which is below market		$ 1,844,446.18	
Accounts receivable (less bad debts reserve)			
Customers	$ 1,200,393.47		
Other	161,635.65	1,362,029.12	
Government bonds (Market value $15,693.75)		15,000.00	
Cash in banks and on hand		1,902,996.42	$ 5,124,471.72
PREFERENCE DIVIDEND MAINTENANCE FUND (represented by cash in banks)			800,000.00
REFUNDABLE PORTION OF EXCESS PROFITS TAX			340,671.10
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES			78,809.60
PROPERTY ACCOUNT:			
Land, buildings, plant and equipment, etc. (as appraised by Messrs. Ford, Bacon & Davis, Inc. on the basis of commercial value at September 30, 1927, $38,267,500) and the Canada Cement Building at cost; with subsequent additions at cost and after crediting amounts realized from plant disposals		$60,035,807.11	
Less: Reserves for depreciation		28,849,702.81	31,186,104.30
			$37,530,056.72

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable	$ 835,870.24	
Bond interest accrued	5,689.18	
Preference dividend payable December 20, 1946	326,402.89	
Income, excess profits and other taxes	441,374.17	$ 1,609,336.48
MORTGAGE ON CANADA CEMENT BUILDING:		
Repayable in semi-annual instalments and balance due in 1948		295,000.00
FIRST MORTGAGE BONDS:		
Authorized	$20,000,000.00	
Series "A" issued and redeemed	$16,500,000.00	
2⅛% serial bonds 1946 Series due $700,000 annually 1947 to 1951—Issued	$ 3,500,000.00	
Less: Redeemed	10,000.00	3,490,000.00
RESERVES:		
Fire insurance	$ 500,000.00	
Extraordinary repairs and renewals	350,000.00	850,000.00
CAPITAL STOCK:		
Cumulative Redeemable Preference Shares of $20 par value each, carrying annual dividends at the rate of $1.30 per share (Note 1)—Authorized (of which $21,000,000 have been issued)	$25,000,000.00	
Outstanding—1,004,345 shares	$20,086,900.00	
Common Shares—600,000 shares of no par value out of an authorized issue of 750,000 shares	6,403,904.75	26,490,804.75
SURPLUS: (Note 2)		
Earned Surplus, per statement attached	$ 3,654,244.39	
Deferred Surplus—refundable portion of excess profits tax	340,671.10	
Appropriated for Preference Dividend Maintenance Fund	800,000.00	4,794,915.49
		$37,530,056.72

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDING NOVEMBER 30, 1946

Profit from operations after providing $2,225,000.00 for depreciation, but before taking into account the undernoted items			$ 4,832,635.19
Executive remuneration		$ 98,424.96	
Directors' fees		11,480.00	
Legal expenses		2,201.80	112,106.76
			$ 4,720,528.43
Add:			
Income from investments		$ 62,216.23	
Profit on sale of investments		97,704.75	159,920.98
			$ 4,880,449.41
Deduct:			
Bond interest (net)		$ 333,626.59	
Mortgage interest		13,300.00	
Contribution to pension fund		100,000.00	
Proportion of 1936 Bond refunding expense		100,000.00	
Provision for income and excess profits taxes (of which the refundable portion of excess profits tax is $10,400.00)		2,155,000.00	2,701,926.59
Net profit for year, after income and excess profits taxes			$ 2,178,522.82
Deduct: Appropriation to Preference Dividend Maintenance Fund			800,000.00
Balance of profits			$ 1,378,522.82
Earned surplus, November 30, 1945		$ 3,485,081.08	
Add: Transfers from reserves—			
6½% Preference share redemption	$ 55,900.00		
Fire insurance	250,000.00		
Industrial accidents	56,800.00		
Contingent	400,000.00	762,700.00	4,247,781.08
			$ 5,626,303.90
Deduct:			
Balance of 1936 Bond refunding expense		$ 560,000.00	
Premium and expenses of 1946 Bond refunding, and expenses of compromise or arrangement with shareholders		106,410.89	666,410.89
			$ 4,959,893.01
Dividends on Preference shares			1,305,648.62
Earned surplus, November 30, 1946			$ 3,654,244.39

Notes to Consolidated Balance Sheet

(1) Under the Compromise or Arrangement sanctioned at the Special General Meeting of Shareholders on August 21, 1946, and confirmed by Supplementary Letters Patent dated September 23, 1946, each of the 6½% Sinking Fund Cumulative Preference shares of the par value of $100 each was subdivided into five Cumulative Redeemable Preference shares of the par value of $20 each, and the arrears of dividends, amounting to $40.25 per share, were extinguished.

The Preference shares may be called for redemption at $30 per share but the Company shall not be entitled to redeem upon call any of the Preference shares prior to October 1, 1951, and thereafter shall not be entitled to redeem, either upon call or by purchase, any of the Preference shares to such extent that the aggregate par value of the outstanding Preference shares shall thereby be reduced to less than $15,000,000 prior to October 1, 1956, nor to less than $10,000,000 prior to October 1, 1961.

(2) So long as any Preference shares are outstanding, no dividend shall be paid upon the Common shares when the Preference Dividend Maintenance Fund shall amount to less than $2.60 per share then outstanding; also neither $875,000 of the amount of the Earned Surplus as at November 30, 1945, nor any part of $330,271 of the amount of the Deferred Surplus as of said date shall be used or applied in payment of any dividend on the Common shares.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Canada Cement Company Limited and its Subsidiary Companies for the year ending November 30, 1946, and have obtained all the information and explanations which we have required, and we report that, in our opinion, the above Balance Sheet, supplemented by the notes appended hereto, is properly drawn up so as to exhibit a true and correct view of the affairs of Canada Cement Company Limited and its Subsidiary Companies at November 30, 1946, and that the Statement of Profit and Loss and Earned Surplus correctly sets forth the result of their combined operations, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

PRICE, WATERHOUSE & CO., Auditors.
Montreal, January 10, 1947.

Approved on Behalf of the Board:

J. D. JOHNSON, Director.
F. B. KILBOURN, Director.

Company Reports

(*Continued from Page 26*)

Policy reserves totalled $74,003,236 at the end of the year, compared with $65,061,521 at the end of 1945. Capital and surplus funds at the end of 1946 were $5,092,916, compared with $4,337,209 at the end of the previous year, while the unassigned surplus was $3,552,967, compared with $3,194,875 at the end of 1945.

London Life

IN 1946 the new insurance purchased from the London Life Insurance Company amounted to $197,819,000, as compared with $138,300,000 in the previous year, showing an increase of $59,519,000. At the end of the year the insurance in force with the company totalled $1,281,101,000, as compared with $1,133,000,000 at the end of 1945, showing a gain for the year of $148,101,000. Assets totalled $247,214,000, as compared with $226,229,000 at the end of 1945, showing an increase of $20,985,000. Contingency and surplus funds amounted to $19,902,000, as compared with $18,460,000 at the end of 1945. The strong position of the company, in spite of the general decline in interest rates, has enabled it to make an adjustment in the dividend scale for ordinary and industrial policies, resulting in an increase in the dividends for policies on the ordinary life, long term endowment and term plans. The absence of any serious epidemic after the war and the continuance of the low civilian mortality rate during the war have made possible the increase in dividends for policies providing life insurance primarily.

North American Life

AS a result of its 1946 operations the North American Life Assurance Company was able to report to its 105,000 policyholders the largest amount of new business in its history —$60,980,756, compared with $43,660,289 in 1945 and $40,922,429 in 1944. Business in force at the end of the year totalled $403,446,912, compared with $362,085,616 at the end of 1945 and $334,671,797 at the end of 1944. Policy benefits paid in 1946 amounted to $5,516,894 compared with $5,294,383 in 1945 and $5,242,350 in 1944. Total assets at the end of 1946 were $104,877,198, compared with $96,373,530 at the end of 1945, and $89,594,277 at the end of 1944. Special reserves and surplus funds at the end of 1946 amounted to $6,605,308, compared with $7,681,396 at the end of 1945, and $7,486,735 at the end of 1944. Surplus earnings in 1946 were $1,164,000, compared with $1,248,474 in 1945.

Britain's new silver money is being made from cupro-nickel — 75 per cent copper and 25 per cent nickel, instead of 50 per cent silver, 40 per cent copper, 5 per cent zinc. Above, new half crowns inspected at the Mint. Actual metallic value of new shilling will be about 1/20 of a penny.

The rate of interest earned in 1946 was 3.75 per cent compared with 3.86 per cent in 1945. Investments in bonds and debentures comprised 75.7 per cent of the assets at the end of 1946, compared with 76.4 per cent at the end of 1945.

National Life

NEW settled-for business of the National Life Assurance Company of Canada last year was over $14,000,000, as against $10,000,000 in 1945, while the total business in force at the close of the year was $96,027,708, as against $86,867,122 at the end of 1945. Total income in 1946 was $3,311,053, as against $2,990,299 in the previous year. Assets at the end of the year totalled $19,511,994, as against $17,953,722 at the end of 1945. Total liabilities under its contracts amounted to $18,206,793, showing an excess of assets over these liabilities of $1,305,201, as against $998,901 at the end of 1945. The surplus, including the paid-in capital of $250,000, amounted to $663,788, as against $641,886 at the end of 1945. Total payments to policyholders in 1946 were $995,262, as against $1,164,828 in 1945. Death and disability claims were $409,244, as against $566,676 in 1945; matured endowments, cash values, etc., were $457,961, as against $490,782 in 1945, while dividends paid policyholders amounted to $107,241, as against $107,370 in 1945.

Canadian Breweries

CONSOLIDATED net profit of Canadian Breweries Limited for the fiscal year ended Oct. 31, 1946, before income and excess profits taxes but after depreciation of $1,681,095, amounted to $10,855,518 compared with $8,668,010 for the year ended Oct. 31, 1945. After providing $5,619,000 for income and excess profits taxes, exclusive of $168,500 refundable portion of the tax, and $532,428 for minority interest, the 1945-46 net totalled $4,704,091, equal to $2.35 a share on the 2,000,000 shares outstanding. The 1944-45 net profit of $2,294,347, after provision of $810,799 for depreciation, $6,005,583 for income and excess profits taxes, exclusive of tax refund of $588,900, and $368,080 for minority interest, was equivalent to $1.32 a share on the 1,735,791 shares issued at Oct. 31, 1945.

Consolidated balance sheet at Oct. 31, 1946, reflects the expansion which took place during the year and shows the company with net working capital of $9,663,812, comparing with $7,937,518 at October 31, 1945.

Guaranty Trust

PROFITS of the Guaranty Trust Company of Canada for the year ending Dec. 31, 1946, amounted to $49,080, an increase of $7,329 over the previous year, J. Wilson Berry, president and general manager, reported at the 21st annual meeting of the company.

The company also realized profits of $56,299 from sale of capital assets and investment securities. These profits, with the balance carried forward from the previous year of $11,607.57, and $23,700.12 transferred from contingency reserve, enabled directors to make the following appropriations: $20,676 for federal and business taxes; $23,530 to cover four quarterly dividends at the rate of five per cent per annum; $80,000 transferred to the capital reserve funds, leaving $16,482.01 to be carried forward at credit of profit and loss account.

Excelsior Life

IN 1946 the new insurance, including reinstatements, etc., issued by the Excelsior Life Insurance Company amounted to $30,077,248, compared with $21,441,718 in 1945. The insurance in force at the end of the year totalled $192,624,294, compared with $171,793,210 at the close of the previous year. Its total income in 1946 was $6,766,127, compared with $5,878,374 in 1945. Its payments to policy owners in 1946 amounted to $2,069,200, of which $888,482 was paid in death claims and $1,180,717 was paid to living policy owners, compared with $1,998,563, of which $821,286 was paid in death claims and $1,177,277 to living policy owners. Total assets at the end of 1946 were $38,876,285, compared with $35,798,846 at the end of 1945. At the end of 1946 the assets were invested as follows: bonds and debentures, 82.53 per cent; loans on policies, 5.83 per cent; preferred and common stocks, 5.47 per cent; first mortgages, 3.86 per cent; real estate (including head office building), 1.62 per cent; cash, etc., 0.69 per cent.

behind this door . . .

is a gracious living room, a key executive quietly pondering the problems of tomorrow . . . a family discussion on Junior's future . . . or perhaps the purchase of a new car, refrigerator or home furnishings.

Behind this door someone is planning to buy things . . . go places . . . increase production, or overcome a problem, because, in the quiet atmosphere of the home, big and little decisions are carefully thought out. In the home, people are influenced more rapidly and more decisively.

Behind this door, and over forty thousand others like it, a welcome guest . . . SATURDAY NIGHT . . . is invited each week, bringing great influence to bear on the purchasing habits of these high income families.

SATURDAY NIGHT . . . cleverly edited for Canadians, sells solidly and consistently. 7 out of 10 invite it to return year after year.

SATURDAY NIGHT

73 RICHMOND ST. W., TORONTO, CANADA

NEW YORK • MONTREAL • VANCOUVER

"CANADA'S INFLUENTIAL NATIONAL WEEKLY"